Building back better with environmental sustainability and gender equality

Recommendations for the textile and garment sector in the post-COVID-19 pandemic recovery

December 2022

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▶ Preface

The *Building Back Better with Environmental Sustainability and Gender Equality* Study is part of the Decent Work in the Garment Sector Supply Chains in Asia project. The four-year project was funded by the Swedish International Development Agency (SIDA) in collaboration with the ILO Regional Office in Bangkok aims to improve working conditions and rights of women and men workers in the sector in Asia through improved social dialogue, productivity, gender equality and environmental sustainability.

The project has four outcome areas:

1. Industrial relations,

2. Gender equality,

3. Productivity and competitiveness and

4. Environmental sustainability.

This work was led by Outcome 4 and Outcome 2 and emerged as an activity from a joint workshop with stakeholders on enhancing sustainability in the sector as part of Covid-19 recovery. The workshop highlighted the double dividend in progressing enhanced environmental sustainability and gender equality in the garment sector at the same time. The aim of the study was to identify consensus among sector stakeholders for future priorities and recommended actions for different stakeholder groups to advance sustainability.

This Study uses a Delphi methodology – a well-established tool for iterative consensus-building among stakeholders – to identify the coalition of actors needed to help reform the garment and textile sector, and the key priorities that should be the focus of their related stakeholder action. The study involved 80 participants including enterprises (31 enterprises), trade unions, workers, industry associations, government officials and other relevant sector stakeholders. 40 per cent of the participants were women and 60 per cent men. Participants were drawn from Outcome 4's four focus countries – Bangladesh, Cambodia, Indonesia, and Viet Nam.

The study identified country and regional level findings and priorities for supporting increased environmental sustainability and gender equality in the garment sector. This Synthesis Report covers the regional level findings, priorities and recommendations and detailed explanation of the study methodology, as well as presenting summary findings for each of the country level results. The synthesis report draws on all the empirical data collected through the Study in the four countries.

Separate country level reports are also available for Bangladesh, Cambodia, Indonesia, and Viet Nam – that draw specific on empirical data collected from stakeholders in each of these countries. Translated versions of these reports are also available in the language of each of the four focus countries.

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▶ Executive summary

"Build back better" is a term frequently used in recent global policymaking when referring to the need of societies and economies to recover from the COVID-19 pandemic. In the global textile and garment sector, it has been employed to describe the need for a transformation to a more sustainable and resilient business model – one that reduces the environmental impact of production and consumption while redressing longstanding poor labour practices.

But when we drill down into the concept, what does "build back better" actually mean and who are we building back better for?

Crises provide a window of opportunity for stakeholders to come together and develop new or reprioritized shared interests to achieve recovery. Efforts that harness these new relationships and, importantly, include all groups – especially vulnerable and marginalized persons – can have better success than those that focus only on material or technological solutions.

But these new coalitions do not come about automatically. They typically require effort, time, orchestration and capacity-building. Thinking about how this is done in the context of the COVID-19 recovery should be a priority for the textile and garment sector as it looks to rebuild with sustainability at its core: Are all stakeholders part of the process? Do they all have the capacity to participate adequately and/or equally? As the majority of the sector's workforce, are women workers participating in the process? What further steps and measures need to be put in place to ensure that collaboration and meaningful dialogue can take place?

This report uses a Delphi methodology, which is a well-established tool for iterative consensus-building among stakeholders, to determine the coalition of actors needed to help reform the textile and garment sector and what should be their priorities.

This Delphi study evolved from a workshop suggestion. The Building Back Better: Achieving Environmental Sustainability and Gender Equality in Post-COVID-19 in the Garment Sector in Asia workshop was a component of the Decent Work in the Garment Sector Supply Chains in Asia (DWGSC) Project, which the Swedish International Development Cooperation Agency had funded in four countries: Bangladesh, Cambodia, Indonesia and Viet Nam. The workshop highlighted the double dividend from simultaneously progressing enhanced environmental sustainability and gender equality in the textile and garment sector.

The study involved 80 participants, including representatives of enterprises (31 owners and managers), several trade unions, workers' organizations and industry associations along with government officials and other sector stakeholders. Of them, women accounted for 40 per cent. The participants were initially drawn from the Gender Taskforce, the Women's Leadership Programme and the Textile and Garment Eco-Innovation Research Network (TERN), the three of which are also products of the DWGSC Project. Snowballing interview techniques were then used to find other participants. In each of the four countries, 20 stakeholders were interviewed.

The study focused on finding consensus for action relevant to environmental sustainability and gender equality.

Environmental sustainability

In each country analysis and with this comparative analysis, the study participants single out environmental sustainability as a priority for action. It is an issue that is either emerging into the fore or under way in various forms at the enterprise and industry levels. The enterprise owners and managers in the study cited intrinsic internal motivations for undertaking related activities more often than external factors, such as brand- or buyer-led requirements. This finding shows that activities to build knowledge,

awareness and intrinsic motivation of enterprises are important for enhancing environmental sustainability.

Across the four countries, 84 per cent of the enterprise owners and managers involved in the study cited environmental sustainability and increasing their performance in this area as a priority for their business. By country, there were differences, primarily in how waste and renewable energy and electricity sources are seen as opportunities. The differences relate to country- and locality-specific factors in the accessibility of renewable energy and energy efficiency equipment, as well as the availability of technical know-how and expertise in advising, installing and financing such opportunities.

At the regional level, the findings highlight environmental sustainability opportunities in the sector, providing opportunities for knowledge-sharing and capacity-building. The selection and implementation of opportunities depends on the availability of context-specific expertise and technology in each country's garment sector. This is especially the case when enterprise-level investments require large shared or common infrastructure investment, such as grid availability in the case of renewable energy, centralized water treatment facilities and waste and recycling infrastructure for recycling and circular economy activities.

A supportive ecosystem for sustainability is critical for progress at the enterprise and sector levels. There are many levers in creating this supportive ecosystem, with a conducive policy mix being critical. Such a mix must integrate environmental regulation with sector- or context-specific guidance, along with incentives and investment in skills development, knowledge creation and network-building. Due diligence obligations and sustainable purchasing practices from buyers and brands contribute to creating a supportive ecosystem if they also address cost- and benefit-sharing from the investment in this sustainability.

The impacts due to the lack of environmental sustainability fall disproportionately on the most vulnerable participants in the sector and the society, which in garment production means women and other marginalized groups. The benefits of enhancing environmental sustainability closely link to and mutually benefit from achieving gender equality.

Gender equality

Despite its highly feminized global workforce, the textile and garment sector is far from achieving gender equality. An estimated 80 per cent of workers in the sector are women, although they are usually in low-paid roles with less employment security and subject to gender-based violence, harassment and discrimination.

The advancement of gender equality and environmental sustainability are intrinsically connected. Not addressing the different needs and priorities of men and women can perpetuate the gender inequalities and lead to an "unjust" transition towards environmental sustainability across the sector. The textile and garment sector has been an important vector of employment for women and thus is well positioned to bring more progress to gender equality at work.

The Delphi study highlighted priorities for advancing gender equality in the sector, although they are not new or unknown. The issues include having clarity on the behaviours that constitute harassment, violence and discrimination, as well as the changes needed to reshape the cultural norms around unacceptable workplace practices. The deep power asymmetries in the labour force and the wider sector (which often follow gender lines) also need to be tackled so that victims and bystanders feel supported and empowered to report abuse when it occurs and seek recompense.

Capacity-building activities for multiple actors within the sector on gender equality and reducing violence, harassment and discrimination have demonstrated positive progress over the past decade. Successful capacity-building activities include the cocreation of gender equality policies and regulations and their implementation with enterprise owners and workers. Broader efforts that have proven effective include

training and campaigns on gender equality, particularly those that involve actors at multiple levels of jurisdiction, such as government agencies, trade unions and industry associations.

The effectiveness of capacity-building activities is also determined by the internal resources available in specific enterprises. Similar issues of capacity were highlighted by the enterprise owners and managers in their ability to provide supportive family workplace policies. They argued that their limited business viability prevented them from investing further in their staff and supportive family policies and that the ability to maintain an adequate profit margin in the highly competitive marketplace of low-cost, high-volume throughput that many manufacturers operate in is very difficult. Addressing family-supportive work policies is another area where collaborative and networked governance could make progress.
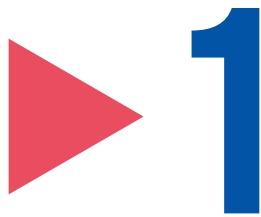
Environmental sustainability and social responsibility programmes can focus on and build up internal resources and capabilities as well as compliance with legislation. New models for distributing the costs and benefits of achieving sustainability are needed because the existing ones have not led to significant progress in the sector on either environmental sustainability or social responsibility. One of the most common statements from the people participating in the Delphi study recognized the strong link between environmental sustainability and social responsibility in enterprises. As one interviewee noted, "The enterprises interested in environmental sustainability are also the ones interested in labour conditions."

Recommendations

These recommendations are for organizations that create and deliver sustainability programmes in the garment sector at the country and regional levels.

1. Assess and build collaborative capacity among sector stakeholders for designing and delivering stakeholder-led sustainability programmes that are inclusive and gender-transformative.

2. Strengthen governance arrangements in sustainability programme designs and execution to ensure that all stakeholders are involved in the process of creating activities that are truly created to support them, including women workers.

3. Include activities that recognize and incorporate the intrinsic motivations of participants for positive behaviour change – new and ongoing programme designs need to identify and catalyse these intrinsic motivations in enterprises and among individuals.

4. Develop both regional-level knowledge-sharing as well as tailored country- and sector-level environmental sustainability road maps to ensure they are inclusive and gender-responsive, with specific actions to address barriers, including awareness-raising, infrastructure needs and priorities, access to finance and investment readiness and skills-development strategies.

5. Develop a framework for regional industry knowledge-sharing on opportunities, including platforms for policymakers to design supportive policy mixes for environmental sustainability and gender equality in the sector.

6. Support ongoing collaborative, educational and capacity-building activities aimed at gender equality and tackling gender-based violence and harassment in the workplace. Addressing gender equality should be part of just transition planning. The International Labour Organization's Violence and Harassment Convention, 2019 (No. 190) can provide momentum for a specific action agenda for gender equality.

7. Link programmes and (growing) industry advocacy on sustainable purchasing practices in the supply chains to the benefits available from these practices in achieving gender equality and family-supportive workplaces.

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Introduction

The Decent Work in the Garment Supply Chains in Asia (DWGSCA) Project, funded by the Swedish International Development Cooperation Agency, centres on decent work and sustainability in the garment sector. Environmental sustainability and gender equality form two of its pillars and a large part of its cross-cutting themes. The garment sector across Asia has significant negative environmental impacts, largely emerging from the intensive use of water resources, chemicals (including toxic chemicals) and energy, including the high carbon intensity of electricity, and waste water discharge (and its lack of treatment).

The sector employs more than 60 million workers, the vast majority of whom are women.[1] Most of the women are in the most insecure, low-skill and poorly paid work and have the least opportunity to move into higher-skill and higher-paid jobs. Women and other marginalized communities are also most affected by the impacts of environmental degradation and the lack of environmental sustainability in the sector.

The COVID-19 pandemic has exacerbated these issues, mainly women's disproportionate share of family and domestic care duties and the prevalence of gender-based violence, harassment and discrimination. Many women were forced to leave the workforce during the pandemic lockdowns to care for family members. The absence of sufficient and meaningful voice, representation and leadership of women (alongside men) in policymaking and decision-making at all levels is undermining the sector, especially in these crisis times. These areas also intersect with climate change impacts in the garment sector. The pandemic has further amplified inequalities as well as increased the likelihood that workers previously working in the formal sector will transfer to the informal sector to access work.

The pandemic is also accelerating change in the sector, with its complex, long and increasingly fragile global supply chains being questioned. Even before the pandemic, stakeholders were making strong demands for increased environmental sustainability and gender equality, in line with compliance with national and international labour standards as well as global commitments to the Sustainable Development Goals. The health and economic impacts of the pandemic will force considerable restructuring in the textile and garment sector. But how and where these changes will occur and the impact on decent work, including gender equality and environmental sustainability, need to be informed by a broad group of stakeholders, including those directly affected.[2]

The calls for "building back better" from the pandemic have been widespread around the globe and across economies and sectors. But what does build back better look like for the textile and garment sector and particularly in the two areas of environmental sustainability and gender equality? And how is

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1 Better Work, "ILO 100: Ten Ways the ILO Has Transformed the Global Garment Industry" (2019).

2 Samantha Sharpe and Cristina Martinez, "A Post COVID-19 Green Deal for the Garment Sector in Asia?" SDG Community of Practice Blog (2020).

the sector performing in responding to this call to build back better? To understand these issues in more detail, a Delphi study was undertaken to investigate the concept of building back better and achieving environmental sustainability and gender equality in the post-COVID-19 garment sector in Asia.

The study is a product of activities undertaken in Outcome 2 (Gender Equality) and Outcome 4 (Environmental Sustainability) of the DWGSCA Project, including the Joint Gender Taskforce and the Textile and Garment Eco-Innovation Network workshop on Investing in the Post-COVID-19 Garment Sector in Asia: How Should Gender and Environment Be Integrated for Decent Work. It also draws on working papers of the International Labour Organization (ILO): No Sustainable Recovery for the Textile and Garment Sector in Asia After COVID-19 Pandemic Without Environmental Investment and Moving the Needle: Gender Equality and Decent Work in the Garment Sector in Asia.

The study set out to establish consensus on how environmental sustainability and gender equality can be enhanced in the garment sector. Participants in the study were drawn from ILO constituent groups in four countries: Bangladesh, Cambodia, Indonesia and Viet Nam (the focus countries along with Myanmar for Outcomes 2 and 4).

1.1 Methodology

The Delphi method originated as a forecasting tool but has since evolved into a systematic qualitative research method, with a focus not specifically on forecasting future activities but establishing consensus on a way forward. The method is highly applicable to investigate how environmental sustainability and gender equality can be enhanced in the textile and garment sector.

The method includes several stages of iterative data collection that allows for the transformation of individual views and perspectives into a group consensus. The Delphi method is active research, whereby participants are involved in the generation of knowledge, its evaluation and assessment of potential application. It is a kind of capacity-building experience for the participants.

Delphi typically involves at least two stages of participant interviews:

Stage 1: Exploratory phase. Individual participants contribute information and knowledge about an issue. In this case the strategies and practices of environmental sustainability and gender equality in the garment sector. In this stage, the focus is on collecting a diverse range of views and experiences.

Stage 2: Evaluative phase. Results from the first stage are synthesized and presented back to participants in the form of a short report for their consideration. Participants are then asked for their response to the synthesis findings, what they agree with or disagree with and why. The focus of this stage is for participants to reflect and assess the collective group "view" or "judgement".

A third iterative stage on operationalizing the knowledge developed through stages 1 and 2, into organizational and policy change is also possible.

Participants are stakeholder experts. This does not mean they need to be technical experts or in positions of power but that they have knowledge and experience of the issues under investigation, including being directly affected by the issues.

The method has several advantages:

▶ It closely draws together the research and knowledge mobilization activities. These two activities are often treated separately and therefore there is often a gap in research and then the dissemination of findings. The Delphi method combines the two activities for participants. Findings diffuse quickly through the participants because the process encourages active participation and ownership of the process and results.

▶ It establishes consensus on the way forward. As it builds from participants' experiences and practices, it produces findings that can be readily transferred into practice and policy.

▶ Participants are usually anonymous in the process. This allows for a wide range of stakeholders and experts to be included and for each to participate in a similar way. Participants are treated the same throughout the process, allowing underrepresented voices to be equally heard.

▶ The inclusion of a broad range of experts expands the boundaries of knowledge and experience that are included in the study.

1.2 Study participants and research process

The Gender Taskforce and participants in the Women's Leadership Programme (convened under Outcome 2) and in the Textile and Garment Eco-Innovation Research Network (convened under Outcome 4) provided an initial sample of participants. Individuals involved in the other outcome areas of the DWGSCA Project, other ILO activities in the textile and garment sector in Asia and the four ILO country offices suggested additional participants. The study engaged with 80 participants (20 per country), with efforts made to involve equal numbers of men and women ultimately and achieve equal coverage across the focus countries, constituent groups and supply chain position of participants. The end array includes representatives of enterprises (31 owners and managers), several trade unions, workers' organizations and industry associations along with government officials and other sector stakeholders. Of them, women accounted for 40 per cent.

To facilitate data collection, a national consultant was appointed in each country. The consultant conducted interviews, completed interview analysis and authored a research note of findings for each country.

For this report, participants remain anonymous, and interviews are kept confidential, with results and analysis not attributable to individual participants. Categories such as constituent group and supply chain position (enterprises) are used if the participant population is large enough (individual participants cannot be identified).

This synthesis report reflects the comparative analysis of the empirical data from the four countries to suggest regional implications.

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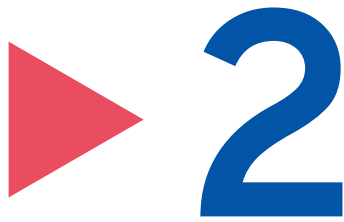
What does building back better mean?

"Build back better" is a term that is frequently used in designing and implementing responses to the COVID-19 pandemic. It means that we use the disruption and recovery investments associated with responding to the pandemic to not only recover but also redress longstanding social and environmental sustainability issues, in this case, in the textile and garment sector. Many observers have acknowledged that the term can be considered vague and, by implication, counterproductive in achieving either recovery or fundamental change. Building back better for whom and how are common questions asked of initiatives that propose to build back better.[3] The ILO and other United Nations agencies are increasingly using the term, such as in the ILO Global Call to Action for a human-centred recovery from the COVID-19 crisis that is inclusive, sustainable and resilient.[4]

The concept of "build back better" was originally applied in the context of disaster recovery, such as in response tsunamis (the Indian Ocean tsunami of 2004, for example) and earthquakes (the Nepal earthquake of 2015). In these cases, physical rebuilding of infrastructure was a significant part of the recovery response. Build back better referred to community-led rebuilding and promoting fairness, equity and recovery that leaving communities safer by reducing future risks and building resilience.

Using the framework of build back better in addressing the multidimensional crisis of the COVID-19 pandemic can be problematic. The pandemic is simultaneously a health crisis, economic crisis and social crisis but requiring a timeline different to disaster recovery responses due to the impacts being global and over a long time (three years or more) rather than geographically constrained and short term. The application of build back better to the COVID-19 pandemic, while positive in aiming at increasing fairness, equity and resilience, also highlights the tensions and challenges of trying to simultaneously provide relief to highly impacted communities (a form of support for the status quo) while pursuing wide-scale system change with the aim to disrupt the status quo. Rather than turn away from the concept of building back better, the challenges emphasize the need for a better understanding of what the term means generally and in different contexts and geographies.

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3 Ralph Hamann, "The Promise and Peril of 'Building Back Better'," *Environment: Science and Policy for Sustainable Development* 62 (2021): 6, 41–50.

4 See ILO Global Call to Action.

2.1 Defining build back better

There is a range of definitions for "build back better" in the context of the COVID-19 pandemic from various international institutions.[5] The United Nations' definitions emphasize recovering better for sustainability by linking recovery expenditure to the Sustainable Development Goals and climate policy. ILO definitions focus on building more inclusive and resilient communities, highlighting the role of equality and social protection in ensuring these goals. The Asian Development Bank refers to "building back safer, faster, fairer and with more potential for future growth opportunities".[6] The International Monetary Fund talks about inclusive recovery: using fiscal stimulus wisely, empowering the next generation through education and harnessing the power of financial technology. The Organisation for Economic Co-operation and Development suggests that build back better should identify policy options that have positive outcomes for employment creation and better outcomes for long-term sustainability and resilience; its recommendations for priorities include improving supply chain resilience and circularity, innovation and building on behaviour change, aligning with net-zero greenhouse gas emissions targets, strengthening climate resilience and reducing biodiversity loss. It also stresses that recovery should be people-centred and consider both social and environmental factors.[7]

Synthesizing these definitions and considering application to the textile and garment sector, build back better here should address all dimensions of the COVID-19 pandemic: health aspects, including infection control measures in the workplace, and adequate social protection to provide sick leave and employment benefits during lockdowns and industrial disruptions. Economic aspects should include fiscal support measures for impacted workers and workplaces but also investments and incentives for increased resilience that focuses on environmental sustainability and social responsibility. The social crisis of the pandemic in the textile and garment sector is deeply concentrated in the production centres, where minimal social protection is available to workers and workplaces. There is also a strong gender dimension to the social and economic crises, with the majority of significantly affected workers being women.

Analysing previous studies that have investigated the success or otherwise of previous examples of build back better highlight that in practice, building better is very difficult to achieve.[8] Where programmes are considered successful they are usually the result of transformational change in the social and political relationships. Crises can provide a window of opportunity for a diverse range of groups and stakeholders to come together and develop new

or reprioritized shared interests and find renewed energy to work together for recovery. Build back better programmes that harness these new coalitions of relationships and cohesively include all groups, particularly vulnerable groups, in their planning and implementation tend to focus on one aspect of the crisis rather than getting lost in a complex set of interactions across natural, social and economic systems. However, this can result in siloed, or fragmented, responses that lack coordination for truly achieving build back better at the macro level.

Analysis of previous build back better efforts also illuminate the missed opportunities in supporting livelihoods in the informal economy and therefore assisting and building resilience in the most vulnerable populations.[9] This would apply in the textile and garment sector because much of its work is in the informal economy.

These discussions underline that while planning for and implementing build back better activities is a

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5 Laura Bolton, *The Build Back Better agenda and COVID-19* (Institute of Development Studies, Brighton, UK, 2020).

6 Kate Hughes and Arghya Sinha Roy, *COVID-19 Recovery A Pathway to a Low-Carbon and Resilient Future* (ADB, Manila, 2020).

7 OECD, *Building Back Better: A Sustainable, Resilient Recovery after COVID-19* (2021).

8 Lilianne Fan, *Disaster as Opportunity? Building Back Better in Aceh, Myanmar and Haiti* (HPG, London, 2013).

9 Ralph Hamann, "The Promise and Peril of 'Building Back Better'," *Environment: Science and Policy for Sustainable Development* 62 (2021): 6, 41–50.

positive response, it is by no means easy or uncontested. Establishing what build back better means, for whom and in what manner is a critical first step. Also establishing a clear focus of action amid the wider economic, social and environmental context is also important. This report aims to contribute to the understanding of what build back better means in the textile and garment sector in Asia in relation to increasing environmental sustainability and gender equality.

The study worked with manufacturers, workers, government officials and various civil society actors (academics, NGOs and other experts) to consider what should be the immediate priorities for building back better in the sector and what are the barriers or enablers to achieving it. This report synthesizes and compares these findings to provide a regional perspective of what build back better in the sector might mean and determine the priorities for action.

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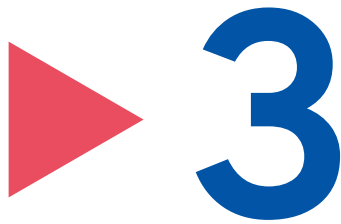
Country findings

3.1 Bangladesh

The Bangladeshi ready-made garment (RMG) sector has made progress in several areas of environmental sustainability and social responsibility. But the impacts of the COVID-19 pandemic have slowed the progress. Bangladesh has the largest number of Leadership in Energy and Environmental Design-certified factories (more than 150) in the world, with many other factories undergoing the certification process. However, gaps remain in mainstreaming environmental compliance in much of the RMG sector, including with most small and medium-sized garment factories. Decision-makers in these factories are either unaware or not yet interested in investing in achieving environmental sustainability. The Delphi study highlighted that a large section of its participants and most RMG factories in the study do not want to invest in environmental sustainability unless they are required to by their brands. Nor do they see short-term direct economic benefit from these investments.[10] Many RMG enterprises consider environmental compliance as a non-core business issue and that it requires additional spending that is not available, especially nowadays as the overall sector recovers from more than two years of pandemic-related disruption.

3.1.1 Environmental sustainability

Good practices in environmental sustainability mostly focus on reducing emissions (investments for energy efficiency and use of renewable energy, etc.) rather than overall reduction of all pollutants involved in textile and garment manufacturing. The textile sector in Bangladesh is still considered separate from the garment sector. Thus, the sector and brand focus on RMG factories misses the supply chain link with the largest environmental impact. Study participants commented that brands and buyers do not consider environmental pollution of the backward linkage factories, and due to the difficulties in tracing them, these industries remain out of the formal monitoring of the Government's regulatory authorities. Although with more brands now considering scope 3 emissions, textile production and the environmental impacts of this production should become more evident.

Environmental compliance is further weakened by what the study participants described as an irregular and ineffective monitoring mechanism by the regulatory authorities. The participants noted that the irregular and ineffective monitoring by the regulatory bodies has provided opportunity for textile and garment factories to disregard their environmental responsibilities.

The outbreak of COVID-19 did not directly impact the status of the environmental practices of the RMG

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10 For example, suppliers only started using LED light, which requires less energy, extensively in their factories after the increase in the price of electricity.

industry. The environmental pollution of this industry continues, similar to what was occurring in the pre-COVID period. However, given that factories were closed for a period during the crisis, the pollution level reduced to some extent. The pandemic may have had a significant impact on the ambitions of achieving environmental sustainability because, as the RMG factories struggled for survival during the lockdown periods, it was reduced as a priority. Due to the pandemic, final garment prices have decreased even though there has been an increase in the cost of production (price of raw materials, shipment, transportation, thread, etc.).

The COVID-19 pandemic has also created the risk of increased pollution in the RMG industry, compared to the pre-COVID period, particularly in waste production. The use of masks, hand gloves and sanitizer in the factories is creating additional wastage and pollution. Factory closures during the pandemic meant that some environment-related equipment, which needs to be in continuous operation, required additional maintenance and costs associated with factories being closed. This has led to increasing costs of environmental compliance at an already difficult time for the RMG enterprises.

In Bangladesh, the study identified several barriers to enhancing environmental sustainability in the RMG industry:

▶ the absence of an effective incentive mechanism in motivating RMG enterprises to be environmentally sustainable;

▶ the lack of accountability and weak monitoring of RMG environmental performance by government agencies;

▶ the limited role of brands in incentivizing environmental sustainability, including providing a premium price for sustainably produced items and using due diligence processes to ensure that environmental sustainability and social responsibility expectations are met;

▶ absence or underdeveloped nature of related industries required for environmental sustainability, including environmental management services and recycling services;

▶ the availability and accessibility of capital and credit support for suppliers and the absence of an appropriate legal framework to provide better credit access;

▶ lack of coordination among relevant government agencies, including those responsible for environmental regulation and monitoring, providing incentives for greening and trade and investment agencies;

▶ relatively higher upfront cost of investing in environmental sustainability compared with longer-term return on investment; and

▶ low awareness among suppliers about environmental issues, their impacts and how to address them, thus enabling apathy.

Study participants cited several opportunities that could help enhance environmental sustainability in the Bangladeshi RMG sector. The increasing number of RMG green factories can influence environmental sustainability activities in two ways: One, by providing a "proof-of-concept effect" as evidence to other RMG factories that it is possible, within the existing market conditions, to invest in environmental sustainability. And two, although green RMG factories are not getting a significantly higher price from the brands for being green, there is evidence that they receive more orders because of their environmental investments. Energy efficiency offers one way of balancing these increasing prices and is encouragement for investment in resource efficiency.

Globally, apparel brands have made several commitments regarding environmental sustainability, including many brands that have made significant emissions reduction targets (such as 50 per cent reduction by 2030). The study participants noted that if brands increased collaboration with suppliers to achieve these emissions reductions (alongside other environmental sustainability measures), it would

greatly enhance the sustainability of the RMG sector. Some brands are planning to include environmental sustainability costs in their price. This would provide a direct measure to increase the incentives for Bangladeshi suppliers to invest in environmental sustainability. Monitoring the performance of such incentives and extending this to a wider pool of suppliers will provide an avenue for increasing sustainability.

The Government has also been adopting policies to enhance environmental sustainability. Some of these policies include the creation of a credit fund (such as the Green Transformation Fund of US$200 million) for investing in environmental sustainability (such as waste management, water conservation, energy efficiency, renewable energy, resource efficiency and recycling activities) and the exemption of tax (such as 2 per cent corporate tax cut for green-certified RMG factories). If the Government implemented policies for environmental compliance as per its global commitments, there could be a surge in the environmental compliance-related activities in the RMG sector.

The study participants pointed to the rapid upgrading of technology for environmental sustainability at the global level and thus in Bangladesh as another opportunity to enhance it. If the new technologies can significantly reduce the cost of production by ensuring efficient use of energy and these technologies are readily accessible in the domestic market, the participants noted that there would be strong demand from Bangladeshi suppliers to adopt them.

However, they also noted that the biggest opportunity lies with the increasing awareness of the significance of environmental sustainability and the need for environmental regulatory compliance among the enterprises. The participants emphasized that the awareness of environmental sustainability among RMG owners is increasing because of more environmentally educated owners are coming into decision-making positions in the factories. But these numbers are coming from a low base of awareness. All the RMG enterprise owners and managers acknowledged interest in reducing waste, energy and investing more in renewable energy if they are provided adequate support.

The study participants highlighted several specific opportunities for addressing the barriers, specifically referencing the different roles and actions for different actors.

For government actors, building an effective suite of policies to incentivize the sector to make investments in enhancing environmental sustainability and social responsibility was mentioned as a priority. This would replace the existing system of tax break-based incentives and provide more comprehensive support as well as direct cash incentive and credit support (in the form of low interest loans and credit guarantees via private banks) for investments in environmental sustainability and social responsibility.

These incentives would need to be matched by stronger implementation and monitoring of the environmental standards and regulations by the Department of Environment. Increasing the effectiveness of the regulatory system in turn would require investments in increasing the skills, experience and resources available to public officials responsible for monitoring and enforcing compliance with environmental regulations. Gaps in these skills and experiences were cited as a critical constraint to improving environmental sustainability.

The Government, alongside civil society actors, could collaborate on developing data-sharing policies to ensure that enterprises, government agencies and the public have access to environmental data. These policies would increase the transparency of environment-related activities in the sector and enable government agencies to assist in monitoring (such as the Customs authorities monitoring the import of harmful chemicals) in the RMG sector.

International stakeholders and sourcing countries' governments can have a role in enhancing environmental sustainability and gender equality through due diligence requirements on brands and buyers to support sustainability-practising factories as well as including sustainable purchasing practices in international trade agreements and enforcing regulations and recourse for non-compliance. They can also help regulate responsible purchasing practices and ensure that responsible public procurement policies are implemented in their jurisdictions.

Brands and buyers can provide incentive or price premium that rewards factories that invest in enhanced sustainability practices, including both environmental sustainability and gender equality. Brands can consider initiatives other than price, such as ensuring that RMG factories that prioritize environmental sustainability and social responsibility receive long-term orders, larger orders or assistance to access low-interest credit support. Reducing carbon emissions, particularly scope 3 emissions, is rapidly emerging as a priority for brands and buyers. While this is an important issue, carbon emissions alone should not be the focus for collaboration with suppliers. Reducing all forms of pollution in the supply chain, including chemical and water pollution, should be included.

The four industry associations in Bangladesh[11] should each take on a role in coordinating and convening stakeholders to ensure the provision of centralized effluent treatment plants in areas where clusters of factories are collocated. This would reduce the coordination and usage costs to individual factories.

These industry associations can also collaborate with the Government, brands, development partners and workers' organizations to develop and implement practical training and awareness-raising activities for enterprise owners and workers on environmental sustainability. The training should be comprehensive, and outcomes and improved performance should be regularly assessed.

The study participants all noted the need for a strong collective approach from all stakeholders in addressing environmental sustainability in the post-COVID-19 period. In this regard, building consensus among stakeholders, particularly around areas of agreement and disagreement, will be crucial in going forward.

3.1.2 Gender equality

There was disagreement among the study participants regarding gender equality in the Bangladeshi RMG sector, particularly the presence and degree of gender inequality. Despite this disagreement, they concurred that the participation of the female workforce at the managerial level is significantly low and needs to be increased.

The participants noted that the pandemic has significantly disrupted progress towards gender equality in the RMG sector. Although overall job losses due to the pandemic has been proportional between women and men workers in Bangladesh, the number of job losses was greater for women workers because of their larger numbers in the sector. In addition, the family of women workers suffered more because they were less likely to receive wages, entitlement benefits (in case of job loss), financial support, access to health care facilities and to meet their nutritional needs.

According to the interviewed suppliers, the prevalence of violence and harassment in RMG workplaces has reduced in the past few years. They noted that when violence or harassment does occur, there are now stricter measures to address it. However, other stakeholders interviewed highlighted that there are real gaps in the understanding of the occurrence and context of violence and harassment in factories. Increased work hours (including forced overtime), verbal abuse in the case of non-fulfilment of the target, etc., are some common forms of harassment induced by the pandemic situation.[12] Workplace harassment is particularly gender-based because in most cases, men work as supervisors, and harassment tends to flow from (men) supervisors to (women) workers.

Climate change is likely to be a further stressor on the work environment in the textile and garment factories. A recent ILO working paper[13] highlighted case study evidence from Bangladesh showing that climate change, particularly heat impacts, will further increase the incidence of gender-based

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11 Bangladesh Garment Manufacturers and Exporters Association, Bangladesh Knitwear Manufacturers and Exporters Association, Bangladesh Textile Mills Association and Bangladesh Employers Federation.

12 Ibid.

13 Laurel Anderson Hoffner et al., "Turning Up the Heat: Exploring Potential Links Between Climate Change and Gender-Based Violence and Harassment in the Garment Sector", ILO Working Paper No. 31 (ILO, 2021).

violence and harassment in the garment sector. Because it is already pervasive throughout the garment sector and because perceived or actual lower productivity is a driver of violence and harassment in the workplace, falling levels of productivity due to climate change impacts (extreme weather events such as floods, storms and heat waves) has the potential to result in heightened levels of violence and harassment against women garment workers. The consequences resulting from these intersecting issues suggest that unless meaningful action is taken to curb the effects of climate change and violence and harassment, individually and together, the garment sector in Asia could face additional challenges in remaining competitive and viable in the future.

The interviews highlighted that stakeholders believe most factories do not have an effective anti-sexual harassment committee. Additionally, there is no requirement for factories in Bangladesh to support working parents and provide parental leave. The study participants commented that some factories, especially small and medium-sized factories, do not follow the maternity leave policy as per the law. In addition, most in-factory childcare services in the sector are of poor quality as is their infrastructure and child safety measures. They also emphasized that there is a tendency among enterprises to discourage workers in using onsite childcare facilities because it constitutes an additional cost for the factory.

The study participants cited the following opportunities for enhancing gender equality in the workplace:

▶ Invest in skills training for women. There is a need for female workers to have increased access to skills training opportunities (particularly for high-skill and highly paid jobs and tasks, where their participation currently is low).

▶ Adopt equality and equal opportunity policies and strategies and ensure that women workers are employed at different levels of RMG jobs, including by setting targets towards gender parity (between 45 per cent and 55 per cent of women or men). For example, there are usually no women workers in the cutting section. Employers need to ensure that they increase the ratio in these types of jobs gradually. Affirmative policies can be considered.[14]

▶ Lp;opEnsure family-friendly environment for workers in the factory, built on dialogue that includes both women and men, such as facilitating access to quality childcare facilities, safe transportation, female-friendly toilet facilities and accessible health care facilities.

▶ Talk more about gender equality issues with all labour organizations working collaboratively under a common agenda for ensuring gender equality as part of workers' rights (this is directed to trade unions).

▶ Increase awareness with suppliers and workers on the importance and benefits of gender equality. Workers need to be aware of their rights, and brands, buyers, international and national development partners and NGOs should support this capacity-development.

▶ Ratify the ILO Violence and Harassment Convention, 2000 (No. 190). Bangladesh is investigating ratifying this Convention, yet there was mixed awareness among the study participants of its importance. Several people referenced the Convention as important in tackling violence and harassment in the RMG sector.

▶ Provide gender-sensitive training for labour inspectors to ensure that they have the specific skills and knowledge in gender-related issues to identify and address these issues during labour inspections. Also target the recruitment of more women inspectors.

▶ Strengthen the mandate and accountability for relevant government agencies, including giving the Department of Inspection for Factories and Establishments (DIFE) the authority to bring sanctions

14 The European Commission defined these as a policy or programme, with the goal of achieving a more equal society, that provides benefits to groups of individuals who are perceived to have been discriminated against in the past.

against factories for malpractice, with DIFE also coming under increasing transparent oversight for performance on these issues.

3.2 Cambodia

The Cambodian economy is heavily reliant on the garment sector. It is the country's largest employer, providing jobs to around 632,000 people, 80 per cent of whom are women.[15] The sector accounted for 16 per cent of gross domestic product in 2018 and 80 per cent of Cambodia's exports.[16]

The COVID-19 pandemic has heavily impacted the sector in Cambodia, although the effects have differed across the course of the crisis. During the first wave of COVID-19 infections, Cambodia had relatively few cases but was heavily impacted economically by cancelled orders and reduced demand from other countries. This led to significant disruption in employment in the garment factories. In June 2020, some 230 garment factories ceased operations, leaving hundreds of thousands of garment workers suspended from their job. In a study of the impact of COVID-19 on various sectors in Cambodia, 98 per cent of surveyed garment workers had experienced work suspension between March and July 2020, with suspensions averaging ten weeks for the sector at the time of the survey in July 2020.[17] Fortunately, the same study reported some 95 per cent of suspended workers received their full financial entitlements, although these entitlements were less than the income that workers would otherwise have earned. When workers returned to their jobs, in most cases it was not to the full level of employment they had been working at prior to the pandemic. But many enterprises had closed altogether.[18]

The latter period of the pandemic also significantly affected the garment sector and its activities and ambitions for sustainability. Cambodia experienced a large second wave (2020) of COVID-19 infections that necessitated various lockdowns and stay-at-home orders, which further disrupted production. The long-term impact of the pandemic on the sector remains unclear, with recovery occurring but unevenly.

The impact of the pandemic has also been highly gendered. As with all garment and textile production centres, women make up most of the workforce in the sector. Thus, because the sector has been disproportionately impacted by the pandemic, so too the women working there. Study participants spoke of difficulties that women-led small and medium-sized enterprises faced in accessing government support (loans) for COVID-19 recovery.

3.2.1 Environmental sustainability

Environmental sustainability is a nascent issue in the Cambodian garment sector. This is illustrated through several findings from this study. Across the industry, there is an overall lack of awareness of the importance of environmental issues and how these issues can be addressed. The lack of awareness further manifests in other barriers, including lack of skilled human resources, access to technology, access to finance to support environmental investments as well as support for and implementation of enhanced environmental management regulatory measures. The study participants suggested three major barriers: regulations, lack of access, technology and infrastructure and market-related issues.

Cambodia's legal framework for environmental management of industrial activities has been in

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15 ILO, "Living Conditions of Garment and Footwear Sector Workers in Cambodia", Cambodia Garment and Footwear Sector Bulletin No. 8 (2018).

16 Samantha Sharpe, Monique Retamal and Maria Cristina Martinez Fernandez, "Assessing the Impact: Environmental Impact Assessment in the Textile and Garment Sector in Bangladesh, Cambodia, Indonesia and Viet Nam", ILO Working Paper No. 51, 2022.

17 Ngo Sothath et al., "The COVID-19 Pandemic and Workers in Cambodia: Magnitude of Impacts on Suspended Workers and Implications for Policy and Programme Interventions", Centre for Policy Studies Study Report No. 13, 2021.

18 Ibid.

development since 2017. The Environmental and Natural Resources Code is still in a draft format after successive rounds of development and consultation that began in 2020.[19] Although the many drafts of the Code have included improved practices for environmental impact assessment and other environmental management activities, the fact that the Code is still not approved and enacted into law relates to the lack of awareness and commitment to environmental management activities. The draft nature of the legal framework creates uncertainty around requirements and commitments for enterprises. It also provides no motivation or support for investment in environmental management activities.

Study participants commented that most garment enterprise owners are not interested in investing in technologies that cover environmental issues because they see such expense as a cost to the business rather than providing cost-savings or other benefits. While some brands have requirements for environmentally sustainable production, it is a small number and largely on a voluntary basis. Study participants argued that without firm or mandatory requirements for environment measures and standards, the supply chain will not improve. The lack of awareness is further compounded by related issues, such as access to finance, especially when knowledge on establishing environmental improvements (such as more efficient machinery, processes and energy efficiency) is not readily available.

Many study participants highlighted significant gaps in general skills and human resources capability in implementing enhanced environmental management. These gaps exist across the public and private sectors. Participants noted that there are not enough local experts to implement the environmental policies, regulations and guidelines within their factories and enterprises. Although government departments claim to embrace a greater role in providing information and assistance to factories and enterprises in the start-up and design of facilities to ensure compliance with necessarily environmental regulations, they lack adequate budgets to operate the programmes. Which means these activities are delivered in a one-off or infrequent way and are not able to continually build up awareness and capacity within the sector for environmental compliance.

The study participants referenced the stakeholders for enhancing environmental sustainability in the garment sector as garment workers, the enterprises, brands and international buyers, the Government, trade unions and the wider community and consumers. Brands and international buyers and the Government were described as having the greater influence potential on both raising awareness of environmental issues and ensuring that enterprises take action to address environmental management. The Government's role was recognized in creating strong legal foundations for environmental protection as well as monitoring and enforcing environmental laws and regulations. Brands and international buyers' role includes their ability to provide incentives and encouragement for enhanced environmental performance through price premiums or stable and increased order volumes for enterprises that demonstrate high environmental performance.

The study participants identified opportunities to better prioritize environmental sustainability going forward:

▶ Strengthen, monitor and enforce existing and proposed environmental laws. The Government has a pivotal role in implementing regulation, but there are also considerable opportunities to work with workers' and employers' organizations to create a supportive educational programme that builds sector-wide knowledge of environmental laws and their purpose.

▶ Increase the understanding among unions, workers and enterprises of the importance of these laws and regulations and the impacts and damage caused by pollution through regular training sessions and sector-specific guidance on the environmental laws. And conduct environmental impact assessments in collaboration with relevant training institutions, such as the Garment Manufacturers Association in Cambodia.

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19 Samantha Sharpe, Monique Retamal and Maria Cristina Martinez Fernandez, "Assessing the Impact: Environmental Impact Assessment in the Textile and Garment Sector in Bangladesh, Cambodia, Indonesia and Viet Nam", ILO Working Paper No. 51, 2022.

▶ Provide resources, including funding and capacity-building support, to social partners, such as trade unions, to ensure that their members can contribute to environmental sustainability and have strengthened capacity to advocate for better and improved environmental performance over time.

▶ Provide support in the form of funds, incentives, networks and other support measures to ensure the increased sustainability of businesses and production, and strengthen public awareness of these impacts, including from a gendered perspective (this is directed to the Government).

▶ Take on a technical role to improve performance (this is directed to international organizations, including the ILO). Study participants noted that the ILO's tripartite mechanisms offer dialogue opportunities between the main actors involved in enhancing environmental sustainability in the sector while also having the ability to include civil society groups and organizations. Communities also need to be more involved in the implementation of environmental regulations.

The study participants cited an action agenda for enhancing environmental sustainability that includes mechanisms (or platform) that regularly brings together principal actors, such as enterprises, workers' organizations, the Government, buyers and brands, NGOs, academics and other knowledge providers to discuss (and plan) the needs and priorities for collective action in strengthening environmental sustainability. Sector and social partners need to be part of the decision-making process to input their voice into a common set of priorities, policies and regulatory measures that promote environment sustainability within factories and enterprises. They then must work together to support enterprises in complying with these measures.

The study participants also noted the need to develop an enhanced and common understanding of environmental issues and their impacts and options for mitigating these impacts at the sector level as methods for promoting and sharing this knowledge more widely.

3.2.2 Gender equality

Gender equality remains an issue of continuing concern for the sector. Results from this study highlight evidence of ongoing gender-based violence and harassment within the workplace, with verbal violence being the most prevalent. Respondents were not aware of incidents of physical or other forms of violence and harassment.

The study participants highlighted similar gaps in knowledge and awareness for preventive measures for gender-based violence and harassment as well as for environmental sustainability. Although there are government requirements for preventive measures against violence and harassment to be in place,[20] including workplace policies, few factories and enterprises have understood the need for or developed and implemented zero-tolerance violence and harassment policies.

In Cambodia, there are maternity leave provisions enacted into law, as well as requirements for such leave to be part of factory-level policies in all garment enterprises operating in Cambodia. The Ministry of Labor and Vocational Training has issued Ministry Prakas to encourage all factories and enterprises provide a childcare centre.

However, gender-based discrimination has been a long-standing issue in Cambodia, including

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20 Samantha Sharpe, Monique Retamal and Maria Cristina Martinez Fernandez, "Assessing the Impact: Environmental Impact Assessment in the Textile and Garment Sector in Bangladesh, Cambodia, Indonesia and Viet Nam", ILO Working Paper No. 51, 2022.

in the provision of maternity benefits. This is because these benefits are jointly paid by employers into the social security system. That employers are liable for part or all of maternity benefits leads to indirect discrimination of women because providing these benefits is seen as an additional cost. There has been evidence of women workers being offered short contracts so employers can avoid paying the benefits.[21]

The study participants offered the following suggestions for priority actions for enhancing gender equality:

▶ Create and implement violence and harassment policies to protect the dignity of women and men from harassment and violence, as currently required by law (this is direct to factories). Without these policies in place, building awareness and implementation will be difficult.

▶ Strengthen the capacity and resources for trade unions to ensure that human rights are respected, including women workers' rights, and the enforcement of laws and regulations relating to gender equality and the protection of these rights.

▶ Train workers and managers on the dangers and risks of defined violence and harassment and promoting gender awareness.

▶ Implement and respect relevant laws, integrate training of employers and workers and establish good governance mechanisms in factories and state-owned enterprises. Ensure that independent professional courts can handle cases without influence. Global international guidance, such as ILO Convention No. 190 and its Recommendation No. 206, can provide direction for further strengthening the legal options.

3.3 Indonesia

Textile and apparel exports from Indonesia were valued at approximately US$14 billion in 2019 and were expected to reach US$15 billion in 2020, prior to the global COVID-19 pandemic. The textile and garment sector is growing rapidly in Indonesia and represent a significant driver of economic growth.[22] Textiles is one of two priority sectors in the Indonesian National Industrial Development Plan 2015–2035. [23]

The sector employed 4.2 million workers in 2016, which accounted for 27 per cent of employment in all of manufacturing. Of all textile and garment workers, two thirds were employed in small and micro enterprises as of 2018.[24] The textile and garment sector in Indonesia includes all aspects of production: from natural and synthetic fibre making to textile spinning, weaving, knitting, dyeing and printing to the production of clothing, carpets and other textile products. Traditional textile production is still in operation and provides some textiles for the domestic market, using locally obtained yarns and dyes.

There are several large vertically integrated textile and garment producers in Indonesia, but there are major challenges for businesses in the upstream industries. Because Indonesia produces minimal cotton, manufacturers must buy all their raw cotton on the international market. Most cotton is sourced from the United States, Brazil and Australia. Because Indonesia is thus dependent on imports for raw materials and early-stage intermediate goods, upstream businesses are particularly exposed to international commodity price fluctuations.

The COVID-19 pandemic has greatly impacted production capacity, with declines between 30 per cent and 50 per cent of normal capacity, especially in March–August 2020. Enterprises adjusted by reducing

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21 Ibid.

22 Mohammed Ishaque, "Indonesian Textile Industry", *Textile Focus*, 19 October 2019.

23 Iman Prihandono and Fajri Hayu Religi, "Business and Human Rights Concerns in the Indonesian Textile Industry", *Yuridika* 34 No. 3 (2019): 493–526.

24 Fairwear Foundation, *Indonesia Country Study* 2018 (2018).

operating hours and changing production schedules. As a result, many employees were laid off with different payment schemes, at 50–70 per cent of their salary during the pandemic in March–May 2020. For contract employees, the enterprises did not renew their work contracts when they expired during the peak of the pandemic crisis.

3.3.1 Environmental sustainability

The study participants identified a broad consensus among textile and garment stakeholders that environmental sustainability is a high priority for the industry. There is a broad understanding of the major environmental sustainability issues and their status in Indonesia. In addition, many textile and garment enterprises also understand the options available to achieve environmental sustainability in their business.

Wastewater discharge was cited as a critical environmental issue for the sector. If wastewater is not treated properly, it pollutes water and soil and quickly affects the health of any nearby community. Air emissions was also singled out as an issue, along with textile (solid) waste and safe chemical management, including the regulation of hazardous and toxic chemicals.

The enterprise owners and managers all agreed that environmental sustainability is a top agenda for the sector, and many enterprises are taking steps to minimize their environmental impacts through wastewater treatment. This is especially the case for enterprises that work with international brands and buyers; there are often requirements to report on these processes as part of their contract with a buyer. Even enterprises that are not working with international brands and buyers must comply with government regulations that cover wastewater and other emissions from production.

Non-enterprise study participants also highlighted several other drivers for good environmental practice in Indonesia, including personal or intrinsic motivations for environmental sustainability among enterprise personnel and management, as well as increasing consumer expectations that are produced with high environmental standards. This was particularly evident in chemical management and awareness on and the availability of non-toxic chemicals that can be used in textile production. Chemical use and water pollution have been the subject of recent civil society campaigns and reports (such as Greenpeace's Toxic Threads campaign), so this may explain the specific awareness and focus of study participants' comments on waste and chemical pollution.

The study participants suggested that there is a high awareness of the environmental sustainability opportunities in the Government, but they said that enterprises require access to economic and other incentives to increase sector activity. Within the sector, most environmental investments are based around cost-saving activities, such as energy efficiency and cleaner production.

NGO participants highlighted that the textile and garment sector has high awareness of environmental issues due to the government regulations as well as the standards imposed by brands for sustainability. However, they highlighted that despite such high awareness, only a few factories are practising energy or water efficiency. Those who practise efficiency are those who get orders, especially orders from international buyers who have very strict requirements.

Across the sector, there were many examples of efforts to reduce energy use cited. This included by investing in new processes or machines to reduce energy use over the past three years. However, energy efficiency activities are perceived as difficult activities to implement. One reason is that the implementation of energy efficiency activities can have a high upfront cost, with the benefit of energy savings spread over a longer time. If access to financial resources is limited, it can reduce the ability of the sector to take up energy efficiency opportunities.

The high upfront costs are also limiting uptake of renewable energy. Although this is further complicated by the costs and availability of renewable energy installation, as is the case in many other countries, the current electricity system was designed for centralized electricity generation and distribution rather than to accommodate decentralized electricity generation. Therefore, the implementation of renewable

energy is developing slowly, compared to options for energy efficiency, because it requires significant grid and other infrastructure and institutional investments to be made.

In contrast, waste reduction options have garnered more interest and implementation, although this implementation is highly dependent on available infrastructure. Waste-reduction activities for suppliers are also driven by brand and buyer conditions. The enterprises that are bound by these conditions have implemented waste-reduction activities over the past three years, whereas other enterprises have made no changes.

International brands and buyers in the textile and garment sector are very interested in environmental sustainability activities, such as pollution management, energy efficiency, renewable energy and waste management. These buyers generally contract the enterprises that show a high commitment to environmental sustainability activities. For these major international brands and buyers, ensuring that individual suppliers have adequate commitment and investment for environmental sustainability activities is part of their due diligence process. If suppliers do not have these commitments, then these buyers will not place an order.

Environmental sustainability activities involve all stakeholders so that their implementation can run across the entire sector. As a regulator, the Government needs to ensure that there is strong and reinforcing coordination between one regulation and another. For academics and other knowledge providers to the sector, detailed information on the appropriate processes and technology are needed in the sector. NGOs have a role in aiding and monitoring the implementation of environmental activities. Some environmental sustainability implementations involve funding to replace machines with more efficient models. Therefore, it is necessary to provide funding sources and incentives from the Government to stimulate the implementation of environmental sustainability.

There are several obstacles that hinder improvement in environmental sustainability in the textile and garment sector. Lack of infrastructure, such as wastewater treatment facilities, and electrical systems, can limit such activities. In addition, the lack of experts in the field of environmental management also limits activities. Lack of regulations, such as on energy use or pollution, is another obstacle.

Associated with the lack of monitoring and sanctions related to regulations is the perception that these regulations and their guidance are incomplete, not up to date or are not comprehensive enough to deal with the complex chemistry involved in the modern textile and garment sector. Some study participants agreed that lack of monitoring is a barrier to environmental sustainability activities and that there is no return on the costs of investing in environmental sustainability. Also, all sector participants are not held to the same regulatory standards. Enterprises that have international buyers must comply with both local and international regulations. Monitoring and sanctions are needed to improve environmental sustainability practices in enterprises that do not have international buyers.

Across the stakeholder groups, there were differences in what each considered top priorities for action. For enterprises, the priority issue was availability of human resources. The enterprise owners and managers commented that the industry has plenty of blue collar and low-skilled workers, but the sector requires an influx of higher-skill professions, and they identified this as a challenge for the sector but also for the Government to develop an adequately skilled workforce. Second, the regulatory system looks comprehensive and cooperative in theory but, in practice, there is confusion and lack of information about certain aspects. Last, market demand is critically important for the industry. Market demand needs to be stable and prosperous in future business to encourage investment in environmental sustainability.

Other study participants highlighted opportunities if financial resource constraints are addressed. Factories with resources can more easily make improvements to their environment sustainability. However, the factories that don't have these resources, minimum compliance with regulation is the only option. Again, the lack of monitoring and enforcement of regulations can provide perceptions of an uneven competitive marketplace.

Study participants cited the following opportunities for enhancing environmental sustainability:

▶ Support comprehensive environmental sustainability activities rather those that focus on one or two elements. "Comprehensive" should include promotion of sustainable (green) materials, water-based chemicals, reducing or remove packaging materials, use of renewable energy (such as solar panels) and an automatic switch system (lighting, machinery) for when there is no activity.

▶ Support more information-sharing from financial institutions and the Government regarding green financing options or incentives (not only fiscal or monetary but also reputational and other incentives) and develop an overall enabling ecosystem to support environmental sustainability.

▶ Enhance and coordinate government regulations and policies, such as incentives to support environmental sustainability activities linked to research and development focused on environmentally sustainable product and process design and investigating opportunities in a circular economy.

▶ Coordinate the overall approach to addressing environmental issues at geographical scale. The sector is facing pressure from the Government due to the decreasing water quality in most rivers (especially in West Java). The textile and garment sector is blamed as the biggest polluter, although it is not always the case. The pollution from other activities, such as domestic wastewater, agriculture, livestock and so on, significantly contribute to water pollution. However, the Government has done little to reduce the pollution from other sources. Consistent regulations across sectors, law enforcement rules and sanctions for violators, promoting environmental care (such as disposing of waste in its place, increasing water catchment areas and seeking alternative fuel sources with full support from the Government would all contribute to enhanced water management.

The study participants agreed that enhancing environmental sustainability must be supported by all to reach the goal of environmental sustainability. Raising awareness of environmental sustainability should be done through campaigns or workshops. Applying circular economic principles in the industry has started, and this needs to be further supported to enhance environmental sustainability.

3.3.2 Gender equality

The Delphi study showed that all enterprise owners and managers believe that gender-based violence, harassment and discrimination are not issues within their respective facilities and that adequate policies and procedures are in place to deal with these issues. They emphasized they have a zero-tolerance policy on these issues that includes definitions of violence and harassment and specifies prohibitions and prevention that address all forms of violence and harassment.

Other study participants, however, highlighted incidences of violence and harassment despite the existence of preventive measures in the factories. The existence and operation of zero-tolerance policies can have the perverse impact of undermining the ability of workers to speak up, knowing that it will have negative repercussions on the business (and likely their job) and that they may face reprisals if they report.

There was clear agreement across most stakeholders about the importance of family-orientated workplace policies, such as parental leave and the availability of childcare or childcare subsidies. All the enterprise owners and managers highlighted that they comply with national laws for maternity and paternity leave arrangements for their staff, with many also offering space for breastfeeding mothers as well as access to or subsidies for onsite and offsite childcare facilities. Under the law, employees are allowed to take full-paid maternity leave for three months (1.5 months before giving birth and 1.5 months after giving birth). However, in practice, the implementation is adjusted to the individual cases and gets approval from the management.

Additional leave is allowed in the event of illness or complications; cash benefits during leave must be of at least two-thirds of previous or insured earnings. The maternity polices also provide access to medical care, health protection, breastfeeding breaks and employment protection and non-discrimination

(standards set by the ILO Maternity Protection Convention, 2000 (No. 183)).

Paternity leave is generally available, but only with two days available in most enterprises. There is no law or regulation specifying the amount of time available for paternity leave, with two days commonly accepted as the norm in the sector in Indonesia.

The study participants highlighted several suggestions and opportunities for enhancing gender equality in the sector:

▶ Develop a collaborative approach among all stakeholders for working towards supporting gender equality. This includes ratification of ILO Convention No. 190 as an important step to ensure equality and non-discrimination of those in situations of vulnerability and ensuring their right to equality and non-discrimination.

▶ Improve the work–life balance, flexible working hours and the availability of part-time jobs. Also, further focus on encouraging women into roles that are traditionally given to men to enhance the employment opportunities for women.

▶ Provide employment benefits for working parents (maternity leave, paternity leave and health care) as the foundation for supporting working parents. The next step is to promote and progress beyond minimal compliance (such as a systematic approach to ensuring that working mothers have the time, knowledge and facilitation to keep themselves and their infant healthy).

▶ Provide childcare facilities and support for working parents. Provide training through prenatal support at the factory. Support education scholarship programmes for the children of workers.

3.4 Viet Nam

The textile and garment sector is a major sector for the Vietnamese economy in terms of industrial output, exports and employment. Exports of textiles, clothing and footwear have almost doubled over the past five years.[25] Viet Nam is now the fifth-largest exporter of textiles and clothing in terms of gross domestic product, after China, India, Italy and Germany.

The sector in Viet Nam focuses predominantly on sew–cut–trim and garment assembly activities. Because garment assembly activities are labour-intensive (and mainly low-skilled labour), they have relatively minor impact on the environment, compared with other parts of the supply chain. There is some textile manufacturing in Viet Nam, although it is mostly for the domestic market. Significant investment in upstream (fibre manufacturing) and midstream (fabric production and dyeing) activities have been made in recent years. This focus on developing backward linkages in fibre manufacturing, fabric production and wet processing activities is rapidly increasing the environmental impact of the sector.

The COVID-19 pandemic has had far-reaching impact on the entire industry: from decreasing revenue and changed short- and long-term strategies to disrupted workers' lives and new stakeholder roles. The impacts of the pandemic can be divided into four phases.

The first period, in 2020, saw substantial impact on supply. The outbreak of the disease in China created a disruption in the source of raw materials, affecting enterprise production. In the second stage, Viet Nam's main export markets, such as the United States and Europe, became the world's largest epidemic areas. Demand dropped sharply and brands went bankrupt, causing Viet Nam's export turnover to these markets to fall seriously. Due to the delay in production orders and exports (due to the halting of transhipment services), Vietnamese firms had to focus on producing masks and medical protective equipment to maintain their operations. The situation improved in early 2021 when textile and garment orders from neighbouring countries were massively transferred to Viet Nam. There are many reasons

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25 Angela Finn, "Producing Sustainable Fashion: Made in Viet Nam", in *Global Perspectives on Sustainable Fashion*, ed. Alison Gwilt, Alice Payne and Evelise A. Ruthschilling, 194–204 (Bloomsbury Publishing, London, 2019).

for this, including the good control of disease transmission in Viet Nam while the outbreak was intense in other countries, such as India, Indonesia and Thailand (as of 2021) and due to the unstable political situation in Myanmar. Vietnamese enterprises' orders in early 2021 increased twofold to sixfold, compared with the same period in 2020. Many businesses received orders through the fourth quarter of 2021. However, virus outbreaks in Bac Ninh and Bac Giang provinces at the end of April 2021 and in the south of Viet Nam from the end of June caused many enterprises to stop production. They no longer meet the conditions of the three-in-spot policy (eat, sleep and work in one place). This disruption may cause the reputation of businesses to decline and brands to leave Viet Nam. In short, the COVID-19 pandemic has had a substantial impact on the textile and garment sector, but the scale and manner of effects have differed in each period.

3.4.1 Environmental sustainability

Most study participants agreed that Vietnamese textile and garment enterprises now have more awareness of the importance of environmental sustainability and have prioritized environmental goals. There are several reasons for this shift, including (i) environmental requirements of free trade agreements; (ii) mandatory standards so that businesses can participate in the global supply chain; (iii) pressure from brands; (iv) more clarity and strictness in the Environmental Law and environmental protection standards; and (v) consultation with domestic and foreign organizations.

However, this awareness is uneven across different types of businesses. Foreign direct investment and large-scale enterprises perform well under the requirements on environmental sustainability. But small and medium-sized enterprises (SMEs), especially those at the bottom of the supply chain, perform less well.

Enterprise owners and managers identified environmental sustainability as a top priority in their respective workplaces. They believe they have a good understanding of the current level of environmental sustainability at their business but much less knowledge on what opportunities are available to them to increase their environment-related performance.

The enterprise owners and managers collectively cited four reasons limiting their environmental sustainability activities: (i) lack of infrastructure (water treatment system, electricity system, etc.); (ii) lack of regulations (on pollution and energy use); (iii) lack of monitoring and enforcement of regulations on the environment; and (iv) lack of skilled personnel (in environmental management).

Other study participants highlighted infrastructure barriers, including the lack of coordinated planning between the central and local governments for infrastructure and the lack of plans for industrial parks large enough for the textile industry. The lack of coordination between government ministries with various responsibilities for environmental management was highlighted as leading to many inadequacies in management.

The capacity and understanding of employers and employees about environmental sustainability, especially in SMEs was emphasized. This was linked with financial resource constraints that limit opportunities for SMEs to invest in environmental sustainability. The lack of human resources in SMEs means that many of them cannot dedicate staff to environmental management activities.

Study participants said that different priorities and opportunities exist across different business types. Foreign direct investment and large-scale enterprises that have joined the global supply chain are aware of the importance of environmental sustainability. These businesses must operate at international standards in textile and clothing production generally and meet the requirements for free trade agreements. They also are under pressure from global brands. These businesses are paying more and more attention to the use of renewable energy, switching to equipment with less electricity and water consumption and ensuring that wastewater and production waste are treated according to procedures and standards.

SMEs are often less concerned with environmental sustainability. Small businesses located at the end of

the supply chain are most likely not aware of the opportunities and activities that can reduce wastewater and energy and how these savings will assist their business. According to some study participants, this is due to the high cost of investing in new technologies, the nascent field of renewable energy, the need for necessary support from stakeholders and the lack of brand oversight.

With the impact of the pandemic, environmental factors have become less critical for smaller enterprises. However, most study participants said that they had been using many solutions towards environmental sustainability, such as: saving energy in the production process, trying to recycle excess fabric from the production process, limiting the use of plastic in products, participating in sustainable development projects, establishing and developing sustainable development boards, buying modern machines with low energy consumption and a low level of emissions, organizing regular internal environmental assessments, participating in global recycling programmes, reusing energy, signing commitments to reduce greenhouse gas emissions and building factories according to "green building" standards.

The study participants highlighted the different roles for actors in enhancing environmental sustainability across the sector. For the Government, actions include a coordinated suite of incentives and regulations and increasingly stronger and stricter environmental rules and support for enterprises applying sustainable solutions. Other governments, especially through free trade agreements, can provide incentive for environmental investments through increasingly stringent due diligence and manufacturing standards, including for circular economy activities. Brands have a role in providing customer demand and premium pricing for enhanced production. NGOs and knowledge and research partners can act as intermediaries and knowledge brokers and reduce the search and implementation costs associated with new environmentally sustainable processes and products.

The study participants highlighted the following opportunities for enhancing environmental sustainability in the textile and garment sector in Viet Nam:

▶ Raise awareness of business owners, employees and consumers about environmental sustainability. The Government, interdisciplinary associations, NGOs and professional agencies need to implement more capacity-training, provide more support for enterprises and promote sustainable consumption behaviours, such as using environment-friendly products and avoiding the products of companies that perform poorly on social responsibility measures.

▶ Tighten and strengthen regulations and sanctions related to environmental issues. Actively discharging waste that causes environmental pollution should be strictly handled through the criminal law process, and there needs to be effective cooperation between government departments.

▶ Create facilitated opportunities to bring SMEs into the supply chain of large enterprises (this is directed to the Government and related organizations). This will provide SMEs with access to international standards and updated trends, techniques, technologies and knowledge of the environmental sustainability requirements for a supply chain. Financial support packages can be matched for these enterprises to transition to more sustainable production.

▶ Make the relationship between brands and outsourcing companies two-way. In addition to outsourcing businesses, brands need to be responsible for investing or providing financial tools for enterprises to implement environmental protection jointly. And there should be opportunities to evaluate brand sustainability and behaviours instead of just assessing supplier companies.

▶ Act as intermediaries for the adoption of sustainable practices in the textile and garment sector (this is directed to NGOs). These organizations can cooperate with ministries and agencies to build a clean production and clean development mechanism or to instigate export quotas with corresponding emission quotas.

▶ Revise the strategic vision, customer segments, core values, perceptions of the board of directors and all employees to reflect emphasis on improving environmental sustainability in the business

(this is directed to the enterprises). The business model that creates high added value will have the capital to enhance environmental sustainability. In addition, businesses working for brands with high requirements will require high prices, which in turn ensures the supplier is able to adequately resource their environmentally sustainable activities.

3.4.2 Gender equality

The responses from enterprise owners and managers in the Delphi study reflect a view that gender-based violence, harassment and discrimination are not occurring within their respective facilities and that adequate policies and procedures are in place to deal with these issues. And yet, more than a third of them said they had received reports or observed incidents of violence and harassment in the past year in their organization. Study participants noted that violence and harassment exist in both small and large enterprises. Still, it is rarely recorded and reported due to language, cultural and organizational barriers and employees' fear of losing their pride and their job. This is further complicated by differing perceptions and viewpoints of what constitutes violence and harassment in the local culture when compared with international standards.

All the enterprise owners and managers confirmed they have a zero-tolerance policy in place to define, prohibit, prevent and redress all forms of violence and harassment in the workplace. Most of their policies prohibit physical, emotional and sexual violence. However, only two thirds of them said that they have a reporting mechanism through which employees can report cases of violence and harassment. Most of the other study participants assumed that the textile and garment enterprises have a zero-tolerance policy. However, some of them commented that not all businesses implement their policy well, and this is due to low awareness of violence and harassment and reluctance to talk about topics that are considered sensitive.

The majority of enterprise owners, managers and workers said that their workplace has adequate measures to prevent violence and harassment, such as having a workplace policy, efforts to identify hazards and assess the risks, and training workers to identify hazards and risks to prevent and protect themselves. The rest of the enterprises represented in the study have only a standard workplace policy on violence and harassment.

Most Vietnamese textile and garment enterprises have a maternity leave policy that complies with the Government's labour law and are reported to follow the standards set by ILO Maternity Protection Convention, 2000 (No. 183). Most participants also said that their enterprise has a paid paternity leave policy. Although the interviews highlighted some differences in practice across the sector, some enterprises have neither an explicit maternity nor paternity leave policy. Other evidence by the ILO shows there are gaps in maternity leave protection in the sector in Viet Nam.[26]

To better support working parents, some study participants suggested that their enterprise should subsidize more services but financial constraints and the lack of specialized departments are major barriers.

The study participants highlighted the following priority opportunities in addressing and enhancing gender equality in the sector:

▶ Increase public awareness of the issues and support and ensure the safety of victims when they come forward to report incidents of abuse.

▶ Develop a code of conduct based on a common definition of violence and harassment.

▶ Subsidize childcare costs at the workplace. This model has not been widely developed in Viet Nam because many enterprises do not have enough resources. Other activities that would

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26 ILO, *Care at Work: Investing in Care Leave and Services for a More Gender Equal World of Work* (2022).

support working parents include developing and requiring standards for women's hygiene areas, bathrooms, breastfeeding spaces and milk storage for nursing mothers, as well as organizing parent training programmes for workers.

▶ Recalculate child support payments for workers based on updated costs to reach a more satisfactory level. Currently, some businesses provide minimum support, at just enough to comply with local laws. These local laws should be reviewed towards increasing the availability and quality of child support.

▶ Provide safe routes for parents who take their children to work by motorbike, especially women (this is directed at the National Traffic Safety Committee).

▶ Support workers to return to work after family-related absences, in particular women (this is directed at the Government).

▶4

Comparative analysis

This section compares the results across the four countries to arrive at information that may be relevant at the regional level for enhancing sustainability in Asia's textile and textile and garment sector.

4.1 Environmental sustainability

4.1.1 Opportunities and barriers analysis

This analysis draws on the findings from the 31 enterprises across the four countries that took part in the study. Most of these enterprises cited environmental sustainability and increasing their performance in this area as a priority for their business, with 84 per cent of their owners and managers "strongly agreeing" or "agreeing" that achieving enhanced environmental sustainability is a priority (figure 4.1). This majority was consistent across the four countries, although with slightly smaller percentages in Cambodia and Bangladesh.

▶Figure 4.1 Environmental sustainability as a current priority in textile and garment enterprises

Legend: ■ Strongly Agree   ■ Agree   ■ Neutral   ■ Disagree   ■ Strongly disagree   n=31
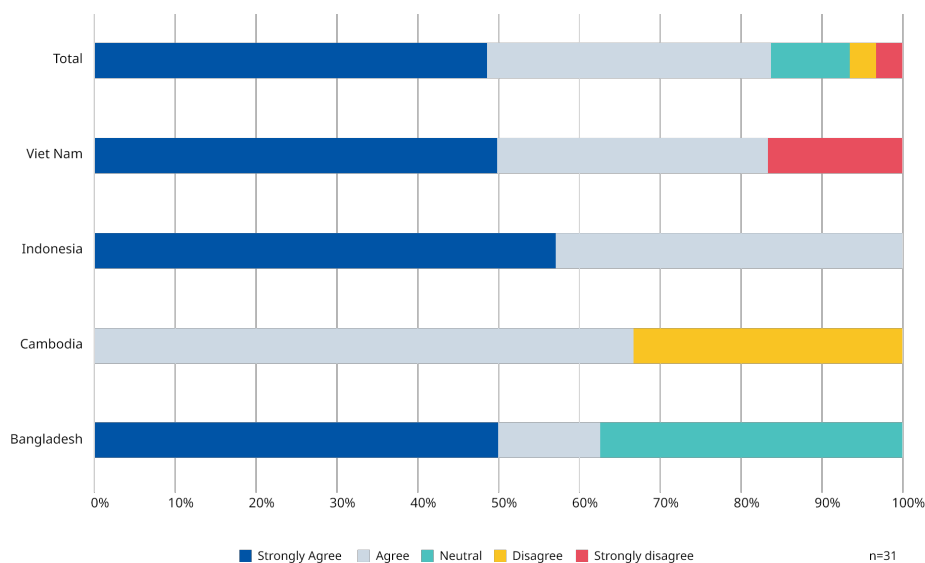
There are differences across the countries on the opportunities that enterprises are pursuing to enhance their environmental sustainability. Energy efficiency opportunities are a top priority across all four countries, ranging from 60 per cent to 100 per cent (figure 4.2). Water and chemical efficiency were also cited as a priority, perceived as a significant opportunity in Indonesia (at 93 per cent of enterprises) and Viet Nam (at 83 per cent of enterprises), but less so in Bangladesh (although still a majority, at 63 per cent) and Cambodia (at 33 per cent). The differences between these figures is attributed to the country-level specialization of supply chain activities, with Cambodia focused primarily on garment assembly while in Bangladesh, Indonesia and increasingly in Viet Nam, the sector includes textile manufacturing activities, where water and chemical use is significant.

▶**Figure 4.2 Environmental sustainability opportunities, according to textile and garment enterprises**
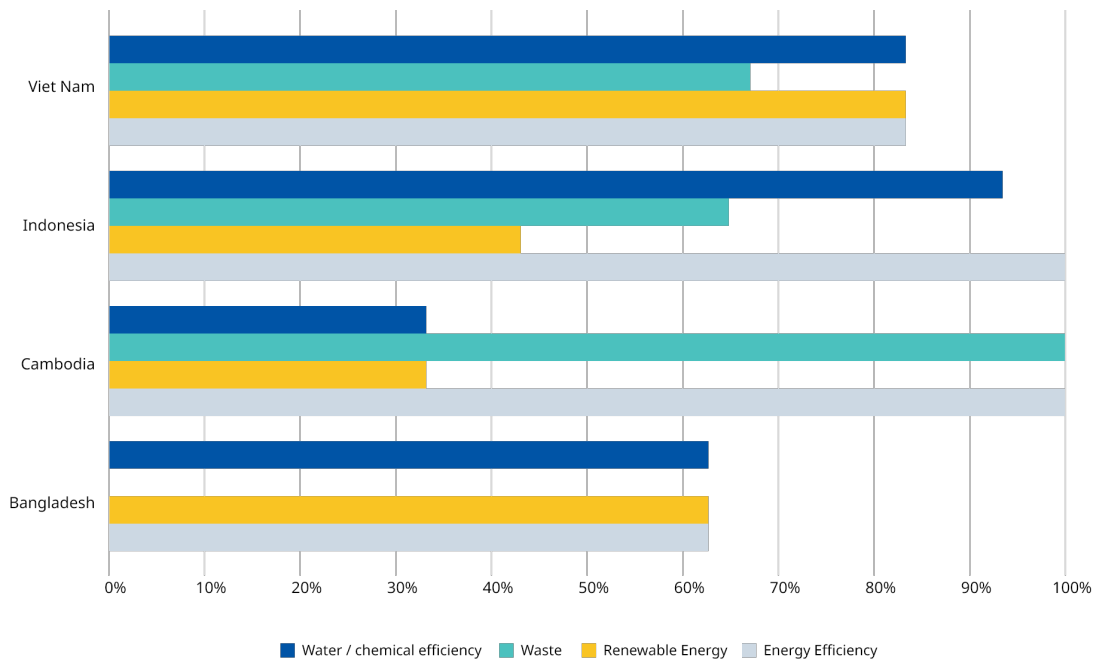
There are also differences across the four countries in how waste and renewable energy and electricity sources are perceived as opportunities. In Viet Nam, 83 per cent of the enterprises cited renewable energy as an opportunity for enhancing environmental sustainability, while it was 63 per cent of enterprises in Bangladesh. From Cambodia and Indonesia, fewer than half of the enterprises regard this as an opportunity. Figure 4.3 looks at the barriers to enhancing environmental sustainability to provide further context for these results, with grid difficulties in connecting renewable energy considered a significant barrier in Cambodia, Indonesia and Viet Nam. Most of the enterprises in Cambodia and Viet Nam in the study see the cost of installing renewable energy systems as a barrier. Most of the enterprises across the four countries see the cost of energy efficiency as a significant barrier. Lack of access to skilled personnel to determine and then implement environmental sustainability opportunities, lack of infrastructure and lack of regulation are also considerable barriers across all four countries.

▶ **Figure 4.3 Barriers to improved environmental sustainability, according to textile and garment enterprises**
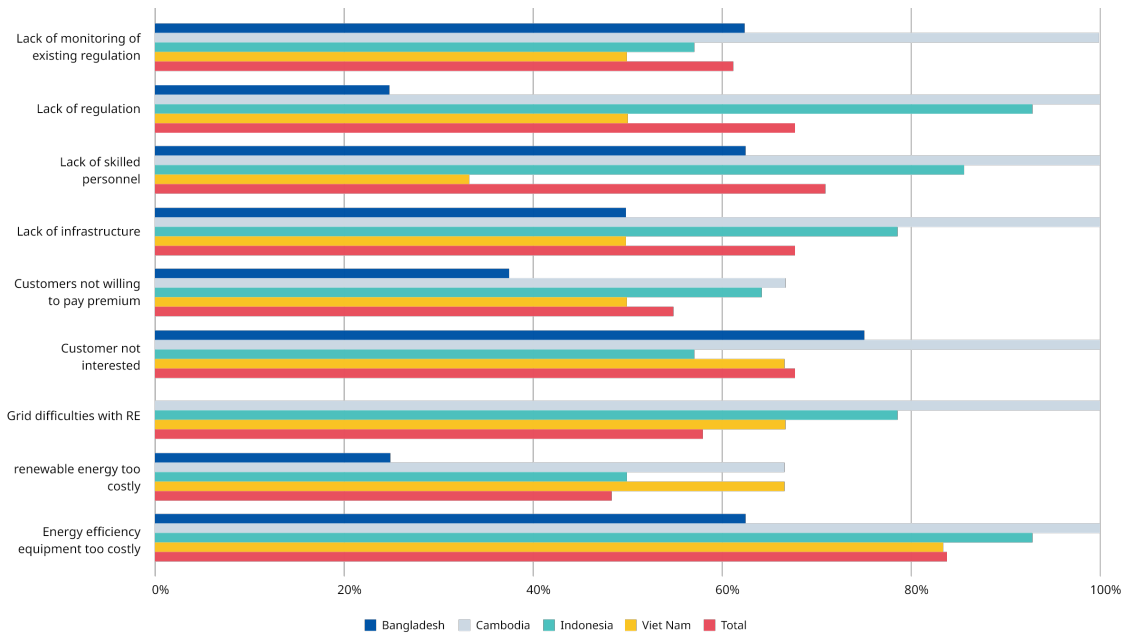
For Bangladesh, the most significant barriers are the perceived lack of interest by customers in the environmental sustainability of production as well as the cost of energy efficiency equipment, the lack of monitoring of compliance with the regulations and the lack of skilled personnel.

In Cambodia, the participating enterprise owners and managers pointed out seven categories of barriers: lack of regulations; lack of monitoring of compliance with the existing regulations; lack of access to skilled personnel; lack of infrastructure; grid difficulties in connecting with renewable energy; the cost of energy efficiency equipment; and the perception that customers are not interested in the environmental sustainability performance of production facilities.

In Indonesia, lack of regulation, lack of access to skilled personnel and the cost of energy efficiency equipment emerged as the greater barriers. The lack of infrastructure and grid access difficulties to renewable energy sources as well as customers not interested and/or willing to pay a premium price for production are barriers to a lesser extent.

In Viet Nam, the greater barriers are the cost of energy efficiency equipment, the cost and grid accessibility of renewable energy as well as the perceived interest of customers in the environmental sustainability of production. They are followed to a lesser extent by the lack of regulation and infrastructure and the price premium required for environmental sustainability.

4.1.2 Priorities and defining building back better activity for environmental sustainability

The Delphi process across the four countries determined four interconnecting themes of action to inform the process of building back better:

1. Awareness-raising and the need to build foundational knowledge for environmental management across the sector

2. Understanding the motivations and enablers for action in environmental sustainability among different actors

3. Developing enterprise-level processes for environmental sustainability

4. Creating a supportive ecosystem for environmental sustainability

Awareness-raising and the need to build foundational knowledge for environmental sustainability

The study participants across the countries discussed the low level of awareness among sector stakeholders on environmental sustainability and how the lack of a shared view of sustainability limited progress towards achieving sustainable development and social responsibility. They stressed that addressing the basic knowledge and awareness gaps at multiple levels in the sector is a critical priority requisite for thinking about and planning building back better. The low level of awareness of environmental sustainability was the most frequently cited issue in all of the study interviews as a barrier to taking up the opportunities and as a priority for action in the build back better process.

The study participants highlighted that there is a strong and shared sense among them of what environmental sustainability is and its importance. As well, there is a clear delineation of the roles and responsibilities of different actors in the sector first for achieving environmental sustainabilityBuilding up the foundational knowledge in environmental sustainability across energy, energy and water efficiency, chemical and wastewater management, solid waste management and the potential for recycling and the circular economy is a critical and necessary precursor to the more ambitious strategies and goals for sustainability.

If commitment to environmental management goals is to be realized, the study participants emphasized, then awareness-raising must take place at multiple levels: among enterprises, workers, sectors and the international supply chains.

�!▌ In my factory, they have developed rules and processes for all workers. So, everyone has to learn about the environment, the management of waste, the allocation of chemicals – everyone has to know these things.

▶ **Worker interview**

▌▌ All stakeholders have a role to play in ensuring the higher adoption of environmental sustainability – workers, trade unions, government, brands and the government, they all have high influence in different ways.

▶ **Trade union interview**

> ◤◤   There is a lack of understanding of environmental laws, of [corporate social responsibility] of companies and factories, limited awareness and participation from trade unions…

▶ Civil society interview

The knowledge of sustainability, they also pointed out, must be built up among consumers, particularly Asian consumers. Most attention has been given to the power and knowledge of Western consumers, many participants said, but it could be extended to Asian consumers, which will be important for further motivating sustainable production and consumption.

> ◤◤   There is no concept of protecting the environment as a criterion for choosing the products they will buy. It is necessary to increase awareness and change consumer behaviour.

▶ Enterprise interview

Understanding motivations and enablers for action in environmental sustainability for different actors

Enterprise owners and managers participating in the Delphi study spoke of their environmental sustainability activities as part of a journey, essentially starting with small steps and working up to the additional steps needed and then making investments in the next activities. They expressed intrinsic motivation for sustainability – they were investigating and investing in sustainability because they (the owners or managers) believe they need to and have a responsibility to do so. Their responses underscore the importance of effective awareness-raising of environmental sustainability issues and responsibilities with a broad base of the sector to encourage the echoing of intrinsic motivation for action.

> ◤◤   Our sustainability journey has been a combination of a number of small steps. It is hard to identify just one.

▶ Enterprise interview

> ◤◤   After the Rana Plaza incident, we wanted to do something different to represent Bangladesh in a good way. We did not do this because of any outside pressure…

▶ Enterprise interview

The enterprise owners and managers also spoke of needing to comply with brand standards, consumer pressure and government requirements. But many of them said they were acting independently of these expectations.

The upfront financial costs associated with investing in environmentally sustainable activities have not limited the uptake nor restricted the investment among enterprises. Many of the study participants explained that many SMEs have no additional financial resources to access or they do not make adequate returns on their investment in environmental management activities to justify their cost.

▟▛ They [enterprises] are more and more interested in using renewable energy, such as installing solar energy systems, investing in replacing electricity- and water-consuming devices with less electricity and water consumption, but how to afford these investments?

▶ **Enterprise interview**

▟▛ Financial resources are the main and major obstacle for small and medium-sized enterprises. To apply environmentally sustainable solutions, technological innovation is still a key factor. The capacity and awareness of enterprises on environmental sustainability are not deep. Next is the lack of financial resources, knowledge, experience and skills.

▶ **Civil society interview**

Developing enterprise-level processes for environmental sustainability

Having a foundational knowledge base on and motivation for environmental sustainability has led many enterprises to create and implement specific processes and protocols within their organizational structure. The owners and managers described either a bottom-up and incremental way or a top-down and strategic way, although the presence of both is needed for sustained progress on environmental sustainability. Strategic planning that incorporates clean goals for environmental sustainability is more associated with large and well-resourced enterprises and is much more difficult for smaller enterprises that operate on the threshold of viability.

▟▟   Companies with solid finance potential and good resources often have better strategic vision and more prolonged investment. They will have a better orientation towards sustainability, they would have a long-term view, and they often invest better in ecological sustainability.

▶ **Enterprise interview**

▟▟   Most businesses often have a short-term vision and only focus on profit goals or only care about the supply chain of raw materials without paying attention to the sustainability of the business itself. Perhaps COVID-19 is an opportunity for businesses to truly see the sustainable business models that come with environmentally sustainable development.

▶ **Enterprise interview**

In terms of developing enterprise-level processes for environmental sustainability, most of the enterprise owners and managers see brands and buyers as needing to accept greater responsibility than just mandating standards. The owners and managers said that even when they meet a brand's standards, it does not equate to higher volume or more security in orders.

▟▟   The brands and buyers could consider scaling up the price to share the cost of enhancing environmental sustainability.

▶ **Enterprise interview**

▟▟   Many companies invest to meet a brand's standards, but then it is unlikely that the brand has committed to signing a contract with the company. Brands put all the responsibility of investing in the environment and society on the company. Therefore, brands need to be responsible for supporting or providing financial tools for businesses to jointly implement environmental protection.

▶ **Enterprise interview**

▼▼   We are interested in making our factory more environmentally sustainable. However, if we do not have money for that, it is very difficult to do. Brands never contributed financially to enhancing our environmental sustainability.

▶ **Enterprise interview**

The way environmental issues cluster in certain supply chain activities can influence action on environmental sustainability. Environmental impacts are greater in textile manufacturing than in garment assembly. Thus, the parts of the supply chain that are present in different locations will inform the environmental pressures and the types of responses and action required.

▼▼   The textile industry is more complicated than the garment industry. Small dyeing facilities are more difficult, causing significantly more environmental pollution…it can pollute water, air, chemicals, etc. and affect human health, natural ecosystems, water quality, soil and the envi-ronment.

▶ **Government interview**

Creating a supportive ecosystem for environmental sustainability

The existence and operation of a supportive ecosystem for environmental sustainability is critical for progress at both the enterprise and sector levels. There are many levers in creating this supportive ecosystem.

The government has a prominent role in creating this system. Many study participants talked of the multiple roles that government needs to take on in providing the regulatory infrastructure to set minimum performance standards, first through environmental regulation and then the monitoring and reporting of performance against the regulatory criteria. Government must also create new markets for environmental management products and services; offer incentives for enterprises but also other stakeholders to pilot and implement new technologies and processes; and train and develop environmental management skills within their civil servants. Government must also develop the educational and knowledge structures through formal training and skills development activities (or create the institutions and demand for these activities) and soft knowledge infrastructure, such as knowledge networks. It is the presence of a supportive policy mix, one that includes environmental regulation and sector- and context-specific guidance and provides enterprise incentives, skills development activities and knowledge development and networks, that creates the essential ecosystem for environmental sustainability.

Governments in countries of brands and buyers that import garments and textiles produced in Asia must encourage due diligence processes. A due diligence process needs to encourage activities that go beyond basic compliance and that support and develop environmental sustainability innovations and behaviours through the entire supply chain.

The government is only one of many actors in the ecosystem, but it is a critical actor. When the government does not embraces its role, it becomes a significant barrier to environmental sustainability.

> There is a lack of standards and regulations for environmental management and no guidance from local agencies…the linkage and cooperation between the individual ministries is also very loose, leading to many inadequacies…
>
> ▶ **Civil society interview**

> Relevant authorities have no willingness to participate… this has a big effect on the willingness of manufacturing to implement [environmental sustainability].
>
> ▶ **Civil society interview**

> If the government only has regulations, tight coercive measures or criminal measures will not promote the adoption of environmental sustainability by the textile industry. The government needs to have measures to encourage human resources and finance and have its own mechanisms and policies for the industry.
>
> ▶ **Enterprise interview**

The public sector also needs to de-risk the learning and investment in technical solutions for environmental sustainability by using regulations, incentives and knowledge-intensive activities to support enterprises in adopting environmental management solutions that suit their context and circumstances.

The study participants also talked of what NGOs (including international organizations) can contribute towards supporting the demand for environmental activities in the sector. Part of that is the subsidizing of piloting and learning processes that will lead to the adoption of more environmentally sustainable technologies and processes.

◤◤ NGOs should act as catalysts for the adoption of sustainable practices. Together with government, they can develop a mechanism for clean production and clean development.

▶ **Enterprise interview**

◤◤ Through donors, NGOs and international organizations can organize pilot activities at a small scale and then scale up to demonstrate how this model works. This will have an impact on poli-cy intervention. The government works well with all parties to promote the industry to develop and operate more smoothly.

▶ **Civil society interview**

◤◤ NGOs are very active business support units, acting as intermediaries between business and other stakeholders. They keep up to date with new industry trends and requirements for businesses.

▶ **Enterprise interview**

A critical question for NGOs and other international organizations is how to scaffold this learning from one-off pilot programmes into learning that can improve environmental performance in the sector more broadly. The answer will be different for international organizations, such as the ILO, which has a normative mandate for supporting change.

The study participants highlighted the importance of networks and collaborative efforts across the sector and how supporting collaboration and collaborative models should be priority action in the build back better agenda. Collabora-tive models that provide learning for a range of different enterprises, including SMEs, were discussed. Collaborative models need to consider and address the substantial differences between enterprises in terms of internal knowledge resources and absorptive capacity for new knowledge.

◤◤ Collaborative efforts should be considered and encouraged.

▶ **Civil society interview**

◤◤ A regional network and consortium should be set up to advocate, share information and provide capacity-building to members of trade unions.

▶ **Trade union interview**

This is an important divide to bridge. One of the other common statements from the study participants is the recogni-tion of the strong link between environmental sustainability and social responsibility in enterprises.

◤◤ The enterprises interested in environmental sustainability are also the ones interested in labour conditions.

▶ **Civil society interview**

4.2 Gender equality

All enterprise owners or managers insisted that gender-based violence, harassment and discrimination are not issues within their respective facilities and that they have adequate policies and procedures in place to deal with them. This response was consistent across all four countries. Rather than go into statistical analysis, this section examines the responses on barriers, opportunities and priorities for future action that the study participants highlighted.

Priorities and defining building back better activity for gender equality

The Delphi process across the four countries arrived at five interconnecting themes of action to inform the process of building back better for gender equality:

▶ lack of consistency and agreement over what constitutes harassment;

▶ lack of implementation and enforcement of regulations and policies for both gender equality and eliminating violence and harassment;

▶ links between business viability and ability to provide adequate childcare and family support policies;

▶ deep cultural issues and power asymmetries associated with advancing gender equality and eliminating violence, harassment and discrimination at work; and

▶ role of capacity-building and education in changing behaviours and norms.

Lack of consistency and agreement over what constitutes harassment

The study participants noted that what constitutes an extreme example of violence and harassment is clear, but there are varying perceptions and therefore lack of agreement as to what constitutes other forms of violence and harassment in less extreme cases. This lack of clarity or, rather, the lack of clear expression in both the policies and regulations addressing harassment and violence, as well as the

implementation of these policies and regulations, means that gender-based violence and harassment in textile and garment facilities is prevalent, although the exact level is difficult to tell due to the lack of policies, regulations and their enforcement. This, together, with the voluntary nature of implementing and adhering to the many legal and regulatory requirements means that progress has been slow in achieving gender equality and eliminating violence, harassment and discrimination at work.

▟▟ Some enterprises have clear and specific policies on health, safety and environment issues but are not clear in policies, procedures or regulations on violence and sexual harassment in the workplace.

▶ **Civil society interview**

▟▟ Violence and harassment often occur at levels such as shouting, banging tables or using their position to force someone to do things they don't want. Because workers in the textile industry often have little knowledge, their opinions [to these issues] won't be noticed.

▶ **Civil society interview**

▟▟ [Harassment and discrimination have been dramatically reduced and is no longer a serious issue.

▶ **Enterprise interview**

There was clear disagreement among the study participants over their perceptions of how prevalent the incidence of violence and harassment is in the textile and garment workplaces. The enterprise owners and managers were confi-dent in the effectiveness of their workplace policies of zero tolerance to harassment and discrimination, describing their workplaces as having no example or only a few examples of harassment and discrimination.

The application of zero-tolerance policies, especially policies that penalize enterprises that report abuse, can have the perverse impact of undermining the ability of workers to speak up if it will have negative repercussions on the busi-ness (and likely their job) and that they may face reprisals if they report.

Power relations, especially entrenched gender-based inequalities that exist in many textile and garment workplaces, means that gender-based violence and harassment can become normalized or seen as "acceptable behaviour". These behaviours will not be substantially challenged and changed unless these underlying power inequalities are addressed.

Lack of implementation and enforcement of policies and regulations

The discrepancies between actual and reported incidence of violence, harassment and discrimination can be traced to several factors, including lack of a clear understanding of what constitutes violence and harassment at work and what is unacceptable behaviour, which precludes the normalizing of different behaviour. Lack of implementation and enforcement of policies and regulations is another factor. The lack of enforcement extends beyond the enterprises to government and governance institutions as well as the global or brand-led initiatives, audits and certification schemes.

◢◤ Labour law is not fully implemented. Inspections do not have clear contracts. There are no good governance mechanisms in place.

▶ **Civil society interview**

The study participants expressed awareness of the different certification and audit tools used for assessing gender equality and redressing harassment and discrimination in the workplace of factories in the textile and garment sector. The plethora of tools often leads to confusion, they added, and thus to the side-lining of specific or higher-ambition policies or procedures. There is a need for more integrated approaches to applying the tools in a way that leads to real progress.

A collaborative approach that develops a common understanding to gender equality, violence and harassment issues is perceived as having more robust opportunity for change. Many of the study participants highlighted the importance of ILO Convention No. 190 in providing a common platform for action on ending violence and harassment at work, including gender-based violence and harassment.

◢◤ I think collaboration with one tool supported by the majority of brands and buyers will be effective…many tools will make firms confused and then can lead to them being ignored. A collaborative approach among all stakeholders to working towards supporting gender equality is really important. This is why the ratification of ILO Convention No. 190 is an important step to ensure equality and non-discrimination for those in situations of vulnerability

▶ **Civil society interview**

Deep cultural issues and power asymmetries associated with addressing gender equality violence, harassment and discrimination

All the study participants discussed the cultural issues and variations around both the definition and practice of violence, harassment and discrimination and the ability for victims to report these issues (with consequences that include feelings of shame and fear of reprisal, such as loss of job or income) and wider

sector stakeholders to acknowledge and address the underlying gender inequality within the sector (and wider society) that enables these issues.

�▶ Language and cultural barriers are real issues.

▶ **Civil society interview**

▸▸ According to reports, there is almost no reports of violence and harassment in the workplace, when in fact, the phenomenon of teasing, flirting and harassing women in the workplace happens very often. However, people are afraid to react due to cultural factors.

▶ **Civil society interview**

The power asymmetries between perpetrators and victims of harassment and violence are immense. Because many occupations in the sector are low skill, there are low barriers of entry into the sector, making workers easy to replace. This fear of losing employment can make victims reluctant to speak out

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▸▸ Employees are afraid of losing jobs, losing honour and prestige, so they do not dare speak out.

▶ **Civil society interview**

▸▸ As this is a sector with low skill requirements, the labour must compete with many other workers. Normally, they don't complain, they don't have an option.

▶ **Civil society interview.**

There are differences in the internal resources, capabilities and norms of different types of enterprises. Small enterprises and enterprises in rural areas or those producing for domestic markets are viewed as having less internal resources or internal practices to adequately identify and deal with harassment and discrimination issues.

▟▛   In my opinion, the ratio varies between businesses. For small and medium enterprises with low compliance, the problem [violence or harassment] can be widespread, especially those located in rural areas.

▶ **Civil society interview.**

Role of capacity-building and education in changing behaviours and norms

Capacity-building activities for different actors in the textile and garment sector is a critical part of the implementation of policies and regulations. Many of the study participants cited positive progress made by parts of the sector in addressing violence, discrimination and harassment and tracing this success to effective education on and awareness-raising of the issues and responses with a broad range of actors, not just enterprises and workers.

▟▛   Over the past ten years, there have been many positive changes in enterprises in compliance, anti-violence and anti-sexual harassment issues. The industry has recorded significant improvements. This is the result of awareness and education of many parties, agencies and organizations, not just enterprises. However, there are still businesses that have not completely solved this problem.

▶ **Civil society interview**

Training and capacity-building were repeatedly mentioned in the study interviews as a priority action emerging from this work for multiple groups of stakeholders.

▟▛   Training of workers is needed on the dangers and risks of defined violence and harassment and safeguards, including rights and responsibilities of workers and other individuals involved.

▶ **Trade union interview**

▰▰   Priority action is to strengthen the understanding of trade unions about workplace violence, labour dispute resolution mechanisms and criminal offences...

▶ **Trade union interview**

Capacity-building, especially among human resources functions at the enterprise level, is considered a priority. Several study participants commented on how the lack of advanced human resource management functions within enterprises is limiting the effectiveness of policies on gender equality and anti-violence, harassment and discrimination. Other ILO analysis has found that in many enterprises, managers and supervisors often do not understand what constitutes violence and harassment. And these are the people in positions of power. Most of the capacity-building that has taken place seems to have been among workers (training and campaigns) but not across the entire organizational structure of enterprises.[27]

▰▰   Enterprises currently do not have a human resources department to really take care of employees' lives in a more thoughtful and detailed way. Currently, human resources work is organized by the accounting or administration department, so it is not professional and still needs to improve.

▶ **Enterprise interview**

Links between business viability and ability to provide adequate childcare and family-support policies

There was clear agreement among most of the study participants on the importance of family-oriented workplace policies, such as parental leave and the availability of childcare and childcare subsidies. All the enterprise owners and managers said that they comply with the national laws for maternity and paternity leave arrangements for their staff, with many also offering space for breastfeeding mothers and access to onsite or subsidies for offsite childcare facilities.

The burden of unpaid care can be a significant factor in the ability for women to maintain stable paid workforce participation. Prior to the pandemic, women in the region performed an average of 4.1 times more unpaid care work as men.[28] The pandemic exacerbated the situation, with many women having to leave the workforce or to substantially decrease their hours of paid work to deal with the increase of unpaid care responsibilities.

There was agreement across stakeholder groups that the availability of these activities and services contributed positively to the ability of working parents to participate in the sector.

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27 ILO, *Moving the Needle: Gender Equality and Decent Work in Asia's Garment Sector* (2021): 16.

28 ILO, *Care at Work: Investing in Care Leave and Services for a More Gender-Equal World of Work* (2022).

▟▛   Compliance of all benefits in connection to working parents [maternity leave, paternity leave and health care] is the foundation in supporting working parents. The next step is to promote progressing beyond compliance [a systematic approach to ensuring that working parents have the time, knowledge and facilitation to keep themselves and their children healthy]. This should be an important priority for future action.

▶ **Civil society interview**

The main action that the study participants highlighted for brands and buyers regarding gender equality and family-supportive policies in the workplace is to improve their purchasing practices and the prices and payment terms of production. There is a link between enterprise viability and the array of family-supporting policies and investments that enterprises can make, they said. They also recognized the responsibility of government in providing quality childcare and early education. Other actions and practices that can expand support to workers with family responsibilities can be shaped through dialogue with workers and employers at the factory and sector levels. Because most women in the sector are of reproductive age, drafting and implementing these policies is an even greater priority.

Improving purchasing practices can help eliminate violence and harassment because they put pressure on workers and supervisors and can lead to stress that generates unwelcome behaviour, including violence and harassment.

▟▛   The difficulty in developing these activities is just that business' profit is not enough to maintain a higher standard of policy.

▶ **Enterprise interview**

▟▛   What is stopping us here is the issue of income.

▶ **Enterprise interview**

These quotes suggest that quality childcare is seen as important by the study participants, including enterprise owners and managers. It is a lack of profit or ability to investment that is holding back improvements. Sector dialogue can be used to find relevant and sustainable solutions among all partners.

▶ 5
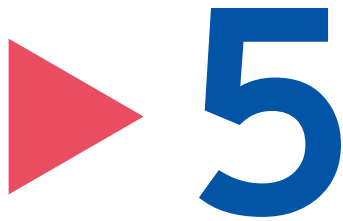
Implications and recommendations

In the global textile and garment sector, build back better has been employed to describe the need for a transformation to a more sustainable and resilient business model in the sector – one that both reduces the environmental impact of production and consumption and corrects longstanding poor labour practices.

The challenge of coping with the multidimensional impacts of the COVID-19 pandemic with single-focus recovery programmes

This report offers an overview of the build back better concept and aspects of successful or effective programmes that support the concept. Considering its application to the textile and garment sector in Asia, a comprehensive and durable response in the industry needs to include all dimensions affected by the pandemic, among them increased care duties, health aspects (including ongoing infection control measures) in the workplace and adequate social protection to provide sick leave and employment benefits if employees are sick and need to take time off or take time off to care for dependants who are sick. Broader economic aspects also entail continued fiscal support measures for enterprises and workers as they rebuild economic viability, wages and working conditions.

Climate change is one of the main drivers of workplace change and disruption and is expected to accelerate in terms of occurrence and impact in the future. Measures that both mitigate and adapt will thus build enhanced resilience into the sector. The social impacts of the pandemic in the sector have been deeply concentrated in Asian production hubs (countries), where minimal social protection is available to workers and workplaces. There is also a strong gender dimension to the social and economic crises due to the majority of the significantly affected workers being women.

Redressing each of these interconnected impact dimensions requires multiple responses rather than a single programme. However, designing and implementing programmes with multiple foci can be complex and resource-intensive, requiring enhanced coordination, collaboration and improved governance arrangements.

Coordination, collaboration and governance

Crises provide a window of opportunity for a diverse range of groups and stakeholders to come together and develop new or reprioritized shared interests and solutions. They make clear the need to work together for recovery. Build back better programmes that harness these new coalitions of relationships, ensuring that pre-existing power imbalances are addressed and can cohesively include all groups, particularly women and vulnerable groups, in the planning and implementation of recovery have

better success than those that focus only on material or technological solutions. Therefore, build back better activities need to harness and bring together these new coalitions of actors and their renewed momentum for collaboration with existing sets of stakeholders to help cocreate change for the better. A priority in thinking through what is needed in the textile and garment sector is thinking about these coalitions: Are all stakeholders part of the process? Do they all have the capacity to participate adequately and/or equally? What further steps and measures need to be put in place to ensure that collaboration and dialogue can take place?

The need for collaborative or networked governance to achieve sustainability is evident in the analysis of environmental sustainability and gender equality. Individual actors may provide isolated cases of best practice, but sustainability will only be achieved when these activities are mainstreamed and common. Network governance systems offer an avenue for mainstreaming actions. Network governance works from the understanding that governments alone cannot deal with the complexities of sustainability because these solutions require access to a broader range of knowledge, experience and action (from industry, enterprises, workers and civil society) to achieve change. Therefore, new and existing coalitions of these actors, brought together through dialogue, forums or specific programmes and projects, can provide ways to develop this network governance, although the processes of representation, participation, sustainability orientation, access, knowledge-sharing and implementation all need to be considered because they will impact on the success or otherwise of governance arrangements.[29]

Recommendation 1: Assess and build collaborative capacity for designing and delivering stakeholder-led sustainability programmes in inclusive and gender-transformative activities among sector stakeholders

Previous studies examining build back better highlighted the importance of understanding and redressing power and capacity asymmetries in the governance arrangements for recovery and resilience programmes and activities. Without changes in these underlying power and governance structures, long-lasting and sustained change will not be possible. This is especially true of bringing women's voice and representation into these coalitions and sector dialogues. Women dominate the workforce in this sector but have long been unrepresented or underrepresented in the governance and management of the sector.

Recommendation 2: Build strengthened governance arrangements into sustainability programme design and execution to ensure that all stakeholders are involved in the process of creating activities that are truly designed to support them, including women workers

5.1 Environmental sustainability

In the country-level analysis and the comparative analysis, environmental sustainability is touted as a priority for ac-tion, either as an emerging priority or as an activity that has been under way for some time within an enterprise. En-terprises that had undertaken environmental sustainability actions emphasized internal intrinsic motivations for under-taking these activities more often than external factors or brand- and buyer-led requirements. However, owners and managers of enterprises that had not undertaken environmental sustainability actions highlighted the need for brand and buyer requirements that would mandate and support this action. These findings show that activities to build the knowledge, awareness and intrinsic motivations of enterprises are important for enhancing environmental sustainabil-ity. This includes activities that explore and identify values of enterprises and workers in caring for the health and well-being of their community and environment and building and linking these values to roles and responsibilities for environmental management.

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29 Jens Newig et al., "The Environmental Performance of Participatory and Collaborative Governance: A Framework of Causal Mechanisms", *Policy Studies Journal* 46, No. 2 (2018): 269–297.

Recommendation 3: Sustainability programmes should include activities that recognize and incorporate the intrinsic motivations of participants for positive behaviour change. New and ongoing programme designs need to identify and catalyse these intrinsic motivations in enterprises and individuals

Across the four countries, 84 per cent of enterprises cited environmental sustainability and increasing their perfor-mance in this area as a priority for their business. The findings presented in this report underscore a menu of envi-ronmental sustainability options available for enterprises in the textile and garment sector to providing opportunity for regional-level knowledge-sharing and capacity-building as well as for determining where collective solutions can be identified and implemented, scaled and replicated. But the specific identification and implementation of opportunities also depend on context-specific expertise and technological availability in the textile- and garment-producing areas in each of the countries. This is especially the case when enterprise investments require shared or common larger infra-structure investments, such as grid availability in the case of renewable energy and centralized water treatment facili-ties and waste and recycling infrastructure in the case of recycling and circular economy activities. Collaborative gov-ernance that includes new models of distributing the costs and benefits of achieving sustainability, both environmental and social can be mechanisms for providing this collective investment.

Enterprises and the broader group of sector stakeholders interviewed for the Delphi process identified four main bar-riers to the greater uptake of environmental sustainability opportunities. This covered (i) low levels of awareness and knowledge on the importance and the applicability of environmental sustainability, (ii) lack of regulations or the im-plementation and enforcement of regulations to provide a common minimum performance threshold that all enterpris-es and operations are required to meet, (iii) lack of access to appropriate finance or viability for finance to make the upfront investments in more environmentally sustainable equipment and processes and (iv) lack of availability of skilled professionals to both advise and implement environmental sustainability programmes and activities across the sector. The skilled personnel shortages were referenced not just in enterprises but also in other related and support-ing institutions throughout the sector, including in the public sector, in NGOs, trade unions and among the broader pool of workers in the sector. In addressing these skilled personnel gaps, developing and targeting policy and pro-grammes to train and upskill women to take up these roles offers another avenue of achieving a double dividend of enhancing environmental sustainability as well as achieving gender equality. How these skills and activities are brought to market also need to be understood because this could provide an opportunity to bring smaller enterprises and different enterprise types, such as not-for-profit or collectives, into the knowledge economy to support the textile and garment sector.

Recommendation 4: Develop regional-level knowledge-sharing and tailored country- and sector-level environmental sustainability road maps that are inclusive and gender-responsive, with specific actions to overcome barriers, includ-ing awareness-raising, infrastructure needs and priorities, access to finance and investment readiness and skills de-velopment strategies

There are many levers in creating this supportive ecosystem. Government is only one of the actors in the ecosystem, but it is a critical actor. And a government that doesn't embrace its role becomes a significant barrier to environmental sustainability and social responsibility. In the four focus countries, both this Delphi study and previous work identified relatively common gaps and weaknesses in the supportive ecosystems for environmental sustainability in the textile and garment sector. There are significant opportunities for policy learning and capacity-building through regional knowledge-sharing of best-case policy mixes for environmental sustainability, from within the four country case stud-ies, the wider region and indeed across all countries involved in the production and consumption of textile and gar-ments.

Recommendation 5: Develop a framework for regional industry knowledge-sharing and opportunities and platforms for policymakers to design supportive policy mixes for environmental sustainability and gender equality in the sector

5.2 Gender equality

Achieving gender equality is another area of long-standing concern and activity within the textile and garment sector. Most workers in the sector are women who are usually in low-paid roles with less employment security and subject to gender-based incidence of violence, harassment and discrimination. During the pandemic, these entrenched patterns of gender inequality were clear, with women facing unemployment without being able to access adequate social pro-tection and facing increased incidence of violence and harassment, less assistance and less accessibility to the for-mal labour market after shutdowns and lockdowns. Plus, they had to cope with increased caring and family responsi-bilities also due to the pandemic.

The Delphi study highlights some clear priorities for advancing gender equality in the sector. Although these priorities are not new or unknown, they remain "unfinished businesses", with important implications on the resilience of this highly feminized workforce. The advancement of gender equality and environmental sustainability are intrinsically connected. Not addressing the different needs and priorities of men and women moving forward further perpetuate gender inequalities and lead to an "unjust" transition towards more environmental sustainability across the sector. The textile and garment sector has been an important vector of employment of women and is well positioned to bring more progress to gender equality at work. Issues including having clear, and widely held views about behaviours that constitute harassment, violence and discrimination, as well as questioning and changing the cultural norms around unacceptable workplace practices. The deep power asymmetries in the labour force and the wider sector, which fol-low gender lines, also need to be addressed so that victims and bystanders who are affected by violence, harassment or discrimination feel supported and empowered to report it and seek recompense.

Where positive progress has achieved change in gender equality and in targeted violence, harassment and discrimi-nation, it has been through effective and broad-based capacity-building activities for multiple actors within the sector. This includes capacity-building activities for enterprises and workers as part of the development and implementation of gender equality and environmental sustainability policies and regulations. But also, other actors in the sector, such as with government departments and agencies at multiple levels of jurisdiction, trade unions, industry associations and other relevant stakeholders.

A collaborative approach that develops a common understanding to gender equality and violence and harassment issues was viewed by study participants to provide a more robust opportunity for change. Stakeholders specifically highlighted the importance of ILO Convention No. 190 in being able to provide this common platform for action.

Recommendation 6: Support ongoing collaborative, educational and capacity-building activities aimed at gender equality and addressing gender-based violence and harassment in the workplace; addressing gender equality should be part of just transition planning, and ILO Convention No. 190 can provide further momentum for a specific action agenda for gender equality

The effectiveness of capacity-building activities is also determined by the internal resources available in specific en-terprises. There are differences in the internal resources, capabilities and norms of different types of enterprises, with smaller enterprises and enterprises producing for domestic markets viewed as having less internal resources or inter-nal practices to adequately identify and deal with harassment and discrimination issues.

Similar issues of capacity were highlighted by enterprise owners and managers in their ability to provide supportive family workplace policies. All enterprise owners and managers highlighted that meet the statutory requirements for parental and family leave and policies and civil society stakeholders broadly confirmed this, although there are grey areas and examples questioning the adequacy of maternity leave and other maternity protections for pregnant wom-en in the workplace.

Enterprise owners and managers argued that their limited business viability prevented them from investing further in their staff and supportive family policies, arguing that the ability to maintain adequate profit margins in the highly competitive marketplaces of low-cost, high-volume throughput that many manufacturers operate in is very difficult. Addressing family-supportive work policies is another area where collaborative and networked governance could make progress.

Recommendation 7: Link programmes and (growing) industry advocacy on sustainable purchasing practices in the supply chains to the benefits available from these sustainable practices in achieving gender equality and family sup-portive workplaces

There is a significant avenue to better link social responsibility and environmental sustainability because they can tap into the same pools of intrinsic motivation and utilize the same internal resources and capacities. Sustainability pro-grammes can build these same internal resources and capabilities. However, we need new models of distributing the costs and benefits of achieving sustainability because the existing ones have not led to significant progress in the sector on either environmental sustainability or social responsibility.

One clear example of the intersection between these two sustainability dimensions is the link between increased cli-mate change impacts (extreme weather events such as floods, storms and heat waves) and the increased prevalence of gender-based violence and harassment.[30] Because gender-based violence and harassment is already pervasive throughout the garment sector and perceived or actual lower productivity is a driver of violence and harassment in the workplace, falling levels of productivity due to climate change impacts has the potential to result in heightened levels of violence and harassment against women garment workers. The consequences resulting from these intersecting issues suggest that unless meaningful action is taken to increase environmental management and curb the effects of climate change and violence and harassment – both individually and together – the garment sector in Asia could face additional challenges in remaining competitive and viable in the future. Many stakeholders in the sector are already well aware of this alignment between social and environmental sustainability.

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30 Laurel Anderson Hoffner et al., "Turning Up the Heat: Exploring Potential Links Between Climate Change and Gender-based Violence and Harassment in the Garment Sector", ILO Working Paper No. 31 (ILO, Geneva, 2021).

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▶ Annex

Round 1 questionnaire

Building Back Better: Achieving Environmental Sustainability and Gender Equality in COVID-19 Recovery in the Garment Sector in Asia

Introductory script

About the research project:

This project aims to identify how environmental sustainability and gender equality actions can be part of COVID-19 recovery strategies for the textile and garment sector. This study is seeking your inputs, views and perspectives as a stakeholder of the sector. Participation in this study will include two interviews. The first interview will collect perspectives from a broad range of people involved in the textile and garment sector. We are interested in your views and perspectives. There are no wrong or right answers. After we have completed the first round of interviews with all the participants, we will develop a summary of the results and share this back with everyone who participated. In the second interview we will ask for your reflections on these findings: What you agree with and not and why. In total, participation in this project will take between 90 minutes and 2 hours of your time.

This work is part of a larger Decent Work in the Garment Supply Chains in Asia (DWGSCA) Project, funded by the Swedish International Development Corporation Agency. The aim of the project is to support decent work and sustainability in the garment sector. Further information on the project can be found at www.ilo.org/asia/projects/WCMS_681538/lang--en/index.htm.

How information will be used – confidentiality and anonymous responses:

All information we collect is kept confidential, including your name and organization. In the final report, we will only use anonymized data (no names or organizations). Only the project team has access to the information that you will provide today.

Consent:

Do you consent to participate?

You can withdraw you consent at any time, and you do not have to provide us with a reason for this withdrawal.

Explanation of the process:

The interview will take 40–60 minutes and consists of a number of questions where the participant can give their answer in terms of a scale (1=strongly agree, 2=somewhat agree, 3=neutral, 4=somewhat disagree, 5=strongly disagree) and other questions to which participants can give an open response

Participant demographics

1. Organization type

2. Role in organization

3. Gender

4. Educational background

5. How long have you worked for this organization?

About the organization

1. What does the business or organization do?

2. How many people work in the organization?

3. How many women are employed in the organization?

4. How long has been in operation?

5. Has the business changed over the past five years? In what ways? (offer prompts: the type or volume of clothing, garments manufactured)

6. How has the covid-19 pandemic affected the business?

Environmental sustainability

1. Environmental sustainability is a priority in my workplace?

2. I have a good understanding of how environmentally sustainable my workplace is?

3. my workplace has a good understand of options available to enhance environmental sustainability in the business?

4. Does your workplace has an effective environmental management plan?

5. Does your workplace takes care not to release pollutants into the environment, such as air and waterways?

6. Does your organization have to monitor and report on chemical and air pollution?

7. Does your workplace has equipment to treat and monitor chemical and air pollution?

8. Authorities check on our reporting and monitoring effluent and air emissions from my workplace?

9. Is your workplace is interested in saving energy?

10. Does your workplace is exploring ways to reducing energy?

11. Processes or new equipment investments have been made to reduce energy consumption in recent years?

12. Energy efficiency activities are difficult to implement?

13. Energy efficiency activities are too expensive?

14. Does your workplace is interested in renewable energy?

15. Renewable energy is too costly to invest in?

16. Renewable energy is not possible here due to electricity system?

17. Does your workplace is interested in reducing waste?

18. Processes have changed to reduce waste in recent years?

19. Customers of my workplace are interested in our environmental activities – pollution management, energy efficiency, renewable energy, waste management, etc.?

20. Customers of my workplace check on our environmental management activities?

21. Lack of infrastructure (water treatment, electricity system, etc.) limits our environmental sustainability activities?

22. Lack of skilled personnel (environmental management) limits our environmental sustainability activities?

23. Lack of regulations (on pollution, energy use) limits our environmental sustainability activities?

24. Lack of monitoring and enforcement of existing environmental regulations limits our environmental sustainability activities?

25. How our customers order and pay for their orders limits our environmental sustainability?

26. Does your workplace has a persons responsible for managing our environmental sustainability activities?

27. I have a role in contributing to environmental management in my workplace?

28. I have noticed environmental impacts from the textile and garment sector in my community?

Further questions on environmental sustainability

What kinds of (environmental) impacts noticed? [prompts: water pollutions, working with chemicals, air pollution] What is the effect of these impacts?

What is the most important thing your workplace does to contribute to environmental sustainability? Why and how did this come about (enablers)?

What is one thing that your workplace could do better? Why? What needs to be done? What is stopping this happening (barriers)?

What else needs to be in place to enhance environmental sustainability? Prompts.

Gender equality

Addressing violence and harassment, including gender-based violence and harassment:

1. Is violence and harassment happening in your factory? [insert a range of responses from never – to frequently]

2. Does the factory have a zero-tolerance policy that defines, prohibits, prevents and addresses of all forms of violence and harassment?

3. Which forms of violence does the policy cover:

   ▶ physical: physical attacks, beating, kicking, slapping, stabbing, shooting, pushing, biting;

   ▶ **psychological:** verbal abuse, harassment, mobbing, bullying, cyberbullying, withholding information, manipulation, slandering, ridiculing, etc.;

> ▶ **sexual:** sexual act, attempt to obtain a sexual act, unwanted sexual comments or advances, or acts directed against a person's sexuality using coercion.

4. Does the factory have a reporting mechanism whereby employees can report cases of violence and harassment?

5. Are you aware of any cases of violence and harassment over the last year in your factory? (reported or observed)

6. Are you aware of any prevention measures in your factory?

> ▶ A workplace policy on violence and harassment.

> ▶ The practice of taking into account violence and harassment and associated psychosocial risks in the management of occupational safety and health.

> ▶ Efforts to identify hazards and assess the risks of violence and harassment, with the participation of workers and their representatives, and take measures to prevent and control them.

> ▶ Training for workers on the identified hazards and risks of violence and harassment and the associated prevention and protection measures, including on the rights and responsibilities of workers and other persons concerned.

7. Are you aware of the international labour standards on eliminating violence and harassment in the world of work? Yes/No

Care and support for working parents

8. Does the factory have a maternity leave policy?

> ▶ No

> ▶ Yes, it is aligned with national requirements in the country it operates but is lower than or does not include: 14 weeks paid leave; additional leave in case of illness or complications; cash benefits during leave of at least two thirds of previous or insured earnings; access to medical care; health protection; breastfeeding breaks; employment protection and non-discrimination (the standards set by ILO Convention No. 183 on Maternity Protection).

> ▶ Yes, it is aligned with national requirements in the country it operates, and is at or above 14 weeks paid leave, including six weeks of compulsory postnatal leave; additional leave in case of illness or complications; cash benefits during leave of at least two-thirds of previous or insured earnings; access to medical care; health protection; breastfeeding breaks; employment protection and non-discrimination (the standards set by ILO Convention No. 183 on Maternity Protection).

9. Does the factory have a paid paternity leave policy?

> ▶ No

> ▶ Yes

10. Does the factory do any of the following to support access to childcare for employees? [select all that apply]

> ▶ Provision of any childcare services located on the factory premises.

> ▶ Provision of offsite childcare services).

▶ Assess employees' needs related to offsite childcare through collecting data on at least one of the following: number of employees in need of child solutions; average age of children for whom childcare is needed; where employees would like the care services (near their home versus near the factory); and needed hours of operation.

▶ Provide vouchers for offsite childcare facilities.

▶ Provide referrals for offsite childcare facilities.

▶ Enter public–private partnerships with government-provided childcare facilities or services [for example: reserving spots, providing transportation and/or negotiating subsidized rates].

▶ None of the above.

▶ Not applicable.

Round 2 questionnaire

Building Back Better: Achieving Environmental Sustainability and Gender Equality in COVID-19 Recovery

Environmental sustainability

1. The findings report discusses the following barriers to enhanced environmental sustainability:

▶ Infrastructure barriers

▶ Access and incentive for new or environmentally efficient technology

▶ awareness and information in key industry stakeholder groups [enterprises, employees, government, etc.]

▶ Regulatory barriers [lack of regulation and/or monitoring of existing regulations]

▶ Market barriers: no customer demand

▶ Human resources: lack of skilled, available staff

▶ Financial resources

▶ Other

Do you agree or disagree with these results? Why?

Which are the top three barriers in your opinion that need to be addressed first? Why?

2. The findings report also suggests the following actions for enhancing environmental sustainability.

Add in summary dot points on identified actions/ prioritise for going forward

Do you agree or disagree with these results? Why?

What do you think should be the top action for the following groups of actors in enhancing environmental sustainability – try and get stakeholders to be very specific here and identify what steps or actions should be undertaken in the next six months and why:

- ▶ Enterprises
- ▶ Workers
- ▶ Government
- ▶ Buyers and brands
- ▶ NGOs
- ▶ Academics or knowledge providers

Gender equality

3. **The findings report identifies some discrepancies in perceptions of gender equality issues in the textile and garment sector, including how to identify and address harassment in the factory and provide support for parents.**

Why do you think this is the case? What actions could be undertaken to resolve these issues?

4. The findings report also suggests the following actions for enhancing gender equality.

Add in summary dot points on identified actions or prioritize for going forward.

Do you agree or disagree with these results? Why?

What do you think should be the top (No. 1) action for the following groups of actors in enhancing gender equality – try and get stakeholders to be very specific here and identify what steps or actions should be undertaken in the next six months and why:

- ▶ Enterprises
- ▶ Workers
- ▶ Government
- ▶ Buyers and brands
- ▶ NGOs
- ▶ Academics or knowledge providers
- ▶ Other

Build back better – COVID-19 recovery

5. The pandemic has had deep impacts on workers and enterprises – how can better mental and physical care be provided to those who have been impacted?

For example, workers left unemployed or with long-term health impacts, workers who have lost family

members to COVID-19, and enterprises that have had to close or significantly reduce operations due to COVID-19 impacts.

6. Have the existing actions undertaken by government, enterprises and brands been sufficient to help the sector recover from COVID-19 impacts? What needs to be done?

7. Any further comments on ways and mechanisms for supporting environmental sustainability and gender equality in the sector as part of COVID-19 recovery?

Building back better with environmental sustainability and gender equality

**Recommendations for the textile and garment sector
in the post-COVID-19 pandemic recovery**

International Labour Organization

Sweden Sverige

ilo.org