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► Tripartite Regional Meeting: Towards a More Resilient, Inclusive and Sustainable Garment and Textiles Sector in Asia and The Pacific

Challenges and opportunities for decent and sustainable work arising from automation, digitalization and other drivers of change in the aftermath of COVID-19

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Report Prepared by Matilda Österberg, on behalf of

ILO Decent Work in Garment Supply Chains Asia (Regional Office for Asia and the Pacific)
ILO Sectoral Policies Department
Better Work Programme

▶ 1. Executive summary

The tripartite regional meeting: Towards a More Resilient, Inclusive and Sustainable Garment and Textiles Sector in Asia and the Pacific was held on 18-20 October 2021. The meeting was attended by more than 80 representatives from governments, employers' and workers' organizations in the region, the ILO, and other important industry stakeholders including brands, manufacturers and civil society organizations (non-constituents attended without formal speaking rights).

During the three-day online event, participants primarily discussed challenges and opportunities for decent and sustainable work in the garment and textiles sector arising from automation, digitalization and other drivers of change in the aftermath of COVID-19.

The COVID-19 pandemic has had major impact on the garment and textiles sector in Asia and the Pacific. It has destabilised the industry, employment and livelihoods with many hardships remain, but it has also shone a light on the elements of our systems that are working and where they are not working. Meeting participants recognized that just as the garment and textiles sector forms the economic and social backbone of many countries in the region, the sector will likewise be of critical importance to the long-term recovery of these countries at a post-pandemic era.

This tripartite regional meeting was not only an opportunity to share insights or present existing initiatives aimed at addressing critical decent work deficits but a forum to promote social dialogue in the garment and textiles sector. It was also about forging a hopeful vision for the future shared by all constituents, and about realising that the current moment is the critical juncture at which we can change the long-term course of the garment and textiles sector.

The key messages of the meeting - echoed by many of the speakers - were that many of the sector's key stakeholders were facing the same challenges when it comes to drivers of change affecting the industry, and that with this, solidarity is a key strength to be leveraged. Through strategic partnerships and joint action, the constituents and other stakeholders can be better placed to build a better future of work in the sector, starting now. In the words of several participants, 2022 should be the year of social dialogue and action.

Governments, employers' and workers' organizations are uniquely positioned to harness the potential of the garment and textiles industries while making sure that no one is left behind. There is already a *compass* for this work in the ILO Centenary Declaration for the Future of Work, together with a *roadmap* in the form of the recently adopted Global Call to Action for a Human-Centred Recovery from the COVID-19 crisis that is inclusive, sustainable and resilient.

To ensure a sustainable future and decent work in the sector, the industry needs to be one step ahead of megatrends and drivers of change, including digitalization, automation, climate change and changes in trade and consumer patterns. This can be done through building robust and inclusive mechanisms for social dialogue, and by building holistic, forward looking plans and strategies that invest in human capital and social protection, incentivise sustainable transitions in the sector, and promote and regulate the decent work landscape. Government has a lead role in driving these processes forward, with a strong partnership with workers' and employers' organizations for its success.

Moving forward, there is a crucial need for strong policy leadership, for gender equality, for social protection and for genuine dialogue. There is also a need to rebalance relationships between buyers, manufacturers and workers in the supply chain, including in the area of sourcing practices.

During the meeting, three key principles emerged for how to collectively build a *better* future of work in the sector: Partnership, Solidarity, and Social Dialogue. Discussions revealed how constituents from different countries see many commonalities in their current plight (the fallout from the pandemic manifest in similar ways across Asia's garment producing hubs), and with this they see a strong case for improved industry partnerships as a means to address common challenges and build an improved - more inclusive and resilient - garment and textiles sector in Asia, with renewed commitments to decent work and environmental sustainability. Critical to this will be the continuation and expansion of all forms of dialogue, formal and informal and in bipartite and tripartite settings, as well as closer engagement and action with other critical stakeholders, notably international brands and buyers.

The ILO has a significant convening role in this process, and in helping to establish meaningful links between international labour standards and initiatives and national-level policies and action in the garment and textiles sector. To deliver real results, for example in closing decent work gaps and accelerating just transitions in the sector, policy design, dialogue platforms, and industry initiatives need to be informed by realities and demands on the ground, and owned by those who have the biggest stake in their success, that is, the workers and employers employed in the sector.

The present report provides a summary of the discussions held during the three days. It also indicates some of the proposals offered by participants on how to move forward. Neither the report nor the summary of proposals therein represent official or agreed points of consensus among the tripartite constituents. Instead they represent a synthesis of different positions provided by participants on the topics discussed.

1.1 Day 1: Where we are

The first day covered the present state of the garment and textiles sector and provided tripartite constituents an opportunity to discuss current developments shaping decent work in the industry, in particular the impact of the COVID-19 pandemic and responses to it.

Garment and textiles exporting countries in the region faces many of the same challenges during the pandemic, including cancelled orders and delayed payments from international buyers, wage cuts and layoffs across the garment and textiles industry, and widening inequalities amid weak or inadequate social protection.

Whilst causing unprecedented disruption to the entire supply chain, the pandemic has also accelerated existing drivers of change affecting the garment and textiles industry, among them digitalization, automation and changes in trade patterns. Amid these challenges, the constituents called for greater industry solidarity and social dialogue, as well as stronger involvement of other supply chain actors - particularly buyers and brands - in forging collective response and recovery measures.

1.2 Day 2: Where we want to be

The second day of the meeting focused on where constituents and industry stakeholders want the industry to be and what kind of industry they want to build for the future. It gave participants an opportunity to discuss how to harness the different drivers of change for decent work and sustainability in the sector, taking into account the 2019 ILO Centenary Declaration for the Future of Work.

As in other economic sectors, technological change is inevitable and underway in the garment and textiles industry, but it will not happen overnight. Research and experience suggest the industry is likely to see a transition in the coming years, while this may cause workforce disruption and dislocation. It may also give rise to hybrid models of worker-machine collaboration where workers are necessary and essential to achieve higher productivity in the sector. Governments will have a vital role in managing these transitions responsibly, for example, by leading the development of innovation roadmaps, sustainable industrial policies and supporting skills upgrading and lifelong learning for affected workforce.

To meet the challenges of climate change and environmental impacts of the industry there is a need to remove barriers to environmental sustainability throughout the sector. Employers face a range of constraints to implement a *just transition* to a greener and carbon-neutral business model, including inadequate balance between incentives and regulation (which can lead to lower rather than higher legal compliance). Barriers for workers in implementing just transitions centred on the need for (strong) monitoring and enforcement, particularly at the local or community level, creating pressure and momentum for environmental compliance. There is also a need for capacity building for both employers and workers concerning 'green skills' and greater awareness-raising of the long-term benefits of supporting and leading the just transition to environmental sustainability.

The COVID-19 pandemic exposed volatility in the way supply chains operate and created distortions in supply and demand - trends which are likely to continue during the pandemic and post pandemic period. Policymakers and industry partners need to ensure both the viability and resilience of businesses together with safeguarding decent work for workers. Several participants indicated that supply chain practices can and should embrace a rebalanced relationship between brands, manufacturers and workers in the post-pandemic industry future.

The pandemic has increased gender inequalities and disconnected many female workers from the labour market. Industry-wide partnerships are critical for advancing gender equality both now and in the future, and capacity development for (women) workers is an integral component in this regard. As women workers face growing risks and pressures during the pandemic, the ILO Violence and Harassment Convention, 2019 (No. 190) provides strong guidance and a comprehensive framework for preventing and addressing violence and harassment at work both at the national and sectoral level.

1.3 Day 3: How we can get there

The third and final day of the meeting asked the question 'how do we get to where we want to be?' Discussions centred on the process of building a better future of work, taking into account the 2021 ILO Global Call to Action for a Human-Centred Recovery from the COVID-19 crisis that is inclusive, sustainable and resilient.

The industry is vastly important for the economic recovery in the region, and for continued inclusive and sustainable economic growth. It is important to provide incentives for productivity growth, support for the uptake of new technologies and to foster an enabling environment for sustainable small and medium-sized enterprises. Investments in skills and lifelong learning, along with reskilling and upskilling, are important, as technological progress is fast. The industry also needs further investments in new forms of green, sustainable and circular business models.

There was a strong call for wages that sustain livelihoods and working conditions that respect internationally guaranteed rights, with particular attention to vulnerable groups. Social protection systems need to be expanded to mitigate future shocks and extend protections to more workers, including those in the informal economy.

One of the strongest calls to come out of the meeting was that labour market institutions need to facilitate stronger social dialogue and find collective solutions to critical industry challenges. Social dialogue must first and foremost be tripartite and, where relevant and appropriate, bipartite. However, other important and influential stakeholders need to be included in the conversations, particularly brands and buyers.

Three key principles emerged for the way forward and how to jointly shape a future that works for all in the sector: Partnership, Solidarity, and Social Dialogue. All actors are in this together, thus strong partnerships are needed to be able to build back stronger, together.

► 2. Background and objectives

In January 2019, the ILO Sectoral Advisory Bodies recommended that the Office should in 2020-21 organize a tripartite regional meeting on the future of work in textiles, clothing, leather and footwear to examine the challenges and opportunities for decent and sustainable work arising from drivers of change in Asia and the Pacific.

The sector is being impacted by long-term megatrends, among them automation and digitalization, environmental and climate change, globalization and trade shifts, and changing demographic and consumer preferences, which may reshape production and decent work dynamics in the industry in the years to come.

Since February 2020, the COVID-19 pandemic has had a major impact on the garment and textiles sector. Factory and retail closures around the world have threatened the viability of enterprises and led to workers being suspended or losing their jobs altogether. Small and medium-sized enterprises (SMEs), a vital source of employment and growth in the industry, suffered the greatest impact of this global crisis. As of September 2020, about one in two garment workers in the region lived in countries with required closures of all but essential workplaces, including garment factories. Nearly half of all garment supply chain jobs in the region were dependent on domestic or foreign consumer demand from countries with highly stringent lockdown measures, where sharp declines in retail sales were also observed.

ILO constituents across Asia and the Pacific have launched initiatives to protect employment, address vulnerabilities, and spur collective action amid the COVID-19 pandemic, which were discussed during the Asia-Pacific regional event ahead of the ILO Global Summit on COVID-19 and the World of Work in July 2020. During 2020, more than 100 employers' associations, workers' organizations, brands, buyers and international organizations endorsed the Call to Action in the Global Garment Industry.

The ILO has been providing support to governments, employers and workers at the global, regional, national, sectoral and workplace levels with policy advice, technical assistance and training. This includes guidance on business resilience and continuity, support to ensure a safe return to work and social security measures to secure an income for workers and their families. The ILO has also undertaken in-depth analysis to better understand the impact of the crisis and inform policies for the industry to *build back better*.

The objective of this regional tripartite meeting was to take stock of recent developments in the garment and textiles sector in Asia and to promote sharing of information and good practices on how constituents have been addressing the impact of the COVID-19 crisis and other drivers of change in the sector. The meeting aimed at bringing ILO tripartite constituents and leading voices from the sector to discuss the challenges and opportunities for the sector in the region, including the immediate economic fallout and health risks of the COVID-19 pandemic, the impact of automation and digitalization, shifting trade patterns, and changing consumer preferences.

▶ 3. Attendees

The meeting was attended by representatives from Asian governments, employers' and workers' organizations, as well as a range of other industry partners (including donors, brands, international organizations, development partners, academia and civil society).

The tripartite meeting included governmental representatives from countries with major investments and/or manufacturing and exports in the garment and textiles industry in Asia and the Pacific, namely: Bangladesh, Cambodia, China, India, Indonesia, Pakistan, Republic of Korea, Sri Lanka, Thailand and Vietnam. Employers and workers representatives were nominated by the employers' and workers' groups of the Governing Body of the ILO.

The virtual meeting was also open to the public (without speaking rights).

▶ 4. Discussions

4.1 Day 1: Where we are

The objective of the first day was to set the context and provide the tripartite constituents an opportunity to discuss current developments shaping the industry, in particular the impact of the COVID-19 pandemic and responses to it.

4.1.1 Opening session

The meeting was opened by the ILO Regional Director for Asia and the Pacific, **Ms Chihoko Asada Miyakawa**. The Regional Director highlighted the garment and textiles sector as a force for good in Asia. The industry has lifted millions out of poverty by creating pathways for formal employment, industrialization and socio-economic development. There have been many achievements, but it also faces challenges which, if left unaddressed, will limit its potential as a driver of transformative change and inclusive development. Many of the challenges are gendered and thus even greater for women who make up the majority of the sector's workers. Undoubtedly, the COVID-19 pandemic, together with new and longstanding drivers of change, are transforming the sector. Understanding these forces and determining how best to harness opportunities and mitigate risks will be vital.

HE Ms Sovann Vannaroth, Secretary of State, Ministry of Labour & Vocational Training in Cambodia, shared some experiences from her country, and how the regional garment supply chain has been hit hard by the pandemic. She also noted how the crisis has underscored key vulnerabilities in the industry business model. Prior to the pandemic, increasingly shortened lead times and downward pressure on cost, as a result of fast-fashion production, have been contributing to poor working conditions and negative environmental impacts. The problem of imbalanced power between buyers and suppliers have been exacerbated during the supply chain disruption. Manufacturers faced immediate economic shocks of order cancellations, delayed payment schedules, as well as reduced demand for new garments. All garment-exporting countries in the region share these challenges.

Raised by all opening speakers was the topic of megatrends, including automation and digitalization, shifting trade patterns, climate change and changing consumer preferences - many of which are already transforming the industry. While the COVID-19 pandemic may accelerate these challenges, it also brings opportunities for the industry - and policymakers - to rethink its growth and development path, which had grown increasingly unsustainable in recent decades. The pandemic has increased public scrutiny of the industry and underscored once again its structural fragilities, whilst also prompting greater consideration among key stakeholders of how the industry can be reconfigured in a more responsible, inclusive and sustainable manner.

Ms Anna Jakenberg Brinck, Deputy Head and Minister Counsellor, Embassy of Sweden to Thailand, highlighted three reasons for how improving working conditions - especially for women - is good for society as a whole. First of all, it will lead to reduced inequalities and improved labour market inclusion. Everyone has the right to productive work with decent working conditions. Secondly, a more gender equal world is a better world. Globally, women experience poorer working conditions, less total working time and lower pay than men. They are overrepresented in the informal sector and domestic sector and are at greater risk of being subject to violence and abuse. Focusing especially on women creates better conditions for women's economic empowerment - a prerequisite for achieving development in all areas of society. Finally, a more gender equal and empowered workforce will lead to a more democratic and inclusive model of development.

Ms Kalpona Akter, President, Bangladesh Garment and Industrial Workers Federation (BGIWF), presented valuable insight on how COVID-19 has had devastating impact on workers in textiles, garment and footwear industries in Asia Pacific. Cancelled and reduced orders have left suppliers with unsold goods and materials and without ability to pay the workers. This has led to layoffs without any social safety net. There is an urgent need to establish functioning tripartite mechanisms to mitigate not only the impact of the pandemic, but also the coming impacts of automation and digitalization. Ms Akter also called for active engagement with international buyers and brands, who must recognize their own role and the power imbalance in the supply chain.

Mr Majyd Aziz, former president of the Employers' Federation of Pakistan (EFP), was very clear in his remarks that business as usual is no longer an option. The pandemic has had dramatic consequences for the industry in the region and suppliers are now working hard to meet the (new) demands of the market. The megatrends mentioned before can benefit new business models and lead to safer working conditions. Now we need to realize how to make the most of the digital transformation and work together to ensure a more sustainable, resilient and productive sector.

Finally, **Ms Alette Van Leur**, Director of the Sectoral Policies Department, ILO, stressed the importance of the meeting as a unique opportunity to discuss the drivers of change and how to jointly shape a future that will work for all in the sector. She encouraged the attendees to make use of the *ILO Centenary Declaration for the Future of Work*, and the 2021 *Global Call to Action for a Human-Centred Recovery from the COVID-19 Crisis that is inclusive, sustainable and resilient*, respectively, as a compass and roadmap for the deliberations.

4.1.2 The industry as it is

Session 2 focused on how Covid-19 and other drivers of change are impacting the garment and textiles sector in Asia and the Pacific. It was introduced by **Mr Christian Viegelahn**, Regional Economist, ILO Regional Office for Asia and the Pacific, who gave an overview of the current state of the industry in Asia and the Pacific and its recent trends.

The impact at the peak of the pandemic was high. A typical worker lost two – four weeks of work in 2020, and only three out of five workers were called back to the factory when (if) it reopened. There have been problems of wage cuts and delayed payments. The garment sector was the manufacturing sector with the most losses, and women were disproportionately impacted.

The COVID-19 pandemic came on top of longstanding drivers of change. Automation was a bit slower in the garment sector than other manufacturing industries, but the pandemic might have accelerated some of these trends. Post-COVID we would see climate related issues such as sea level rises affecting the manufacturing areas, as well as extreme heat adding to conditions in factories. There was awareness among partners to have the need to tackle this.

The following panel discussion and plenary covered industry perspectives and responses to COVID-19, as well as experiences and good practices from a wide range of constituents. The discussion was moderated by **Mr Dan Rees**, Head, Better Work Programme. The tripartite Panel was comprised of **Mr H G W Gunawardena**, Secretary, Wages Board, Department of Labour, Sri Lanka, **Mr Anil Jain**, Federation of Indian Chambers of Commerce & Industry (FICCI) and **Mr Nadeem Parwaz**, President, the Pakistan Garments, Textiles and Leather Workers Federation.

All countries in the region were affected by COVID-19, which has disrupted the entire supply chain. For an industry already facing a lot of challenges, the pandemic had multiplied the complexity. Several participants spoke of workers' hardships in terms of loss of wages, layoffs, and not receiving severance pay. Some panellists also shared how the pandemic had exposed weaknesses in the tripartite structures at national level.

There had been various and significant government responses to the COVID-19 crisis such as support packages and policy responses. Similarly, employer's and workers' organizations had extended support to their members and had engaged with governments to advocate for further relief measures. Hardships remained severe, but there was also a hopeful mindset and outlook for the future.

The industry was recovering in some areas but there were still significant impacts, and a strong appeal for tripartite constituents to come together and build stronger dialogue, but also raise practical issues like rescaling and reskilling, and strengthening systems of social protection. There was a need to address new trends that were affecting the industry, whether it was the digitalization and automation or the inequalities that the pandemic had opened up.

Some strong themes that emerged during the discussions were the importance of industry solidarity and dialogue. There were many good examples but still room to do more as an industry. Social dialogue mechanisms were adapted during the pandemic but need long term expansion and improvement. There was also a need for sector level platforms for dialogue to build a more resilient model going forward. Establishing a sectoral collective bargaining mechanism was proposed as a solution to address and solve sector-wide issues universally across the region.

Several speakers mentioned the need for cost sharing among the stakeholders in the supply chain, and how involving brands and buyers in the discussions was key. Partnerships and alliances were needed to proactively work in the supply chain to find solutions to systemic problems. One participant also stressed the importance that platforms and initiatives were informed by realities from the ground. Furthermore, the focus should not only be on good practice, but also on the gaps between practice as it was now and what was needed.

Other participants also highlighted the need for strong institutional platforms that could protect workers and employers both today and in a changing future, and there was a proposal for exporting countries to establish a joint platform to advocate for their common interests in the global supply chain. The role of strong social dialogue and sectoral bargaining in finding negotiated solutions to crisis in the sector was highlighted throughout the session.

4.2 Day 2: Where we want to be

The objective of the day was to discuss how to harness the different drivers of change for decent work and sustainability in the sector, taking into account the 2019 ILO Centenary Declaration for the Future of Work.

4.2.1 The industry we want to build

In Session 3 the meeting took a deeper look into key drivers of change that were transforming the industry. The session was moderated by **Mr Conor Boyle**, Head of Programme Development, Learning and Country Programmes, ILO Better Work, and started with a framing discussion with four specialists from ILO who introduced the topics of the day.

Ms Arianna Rossi, Senior Research & Policy Specialist, Better Work explained how technological change was affecting the garment and textiles industry. **Ms Cristina Martinez**, Senior Specialist, Environment and Decent Work, DWT-Bangkok discussed environmental impact and the climate challenge. **Ms Tara Rangarajan**, Head of Communications, Brand Relationships and Country Programmes, Better Work, shared insights into how trade and globalization had been affected by the pandemic and thus affected global supply chains. Finally, challenges and opportunities in the pursuit of gender equality in the sector were presented by **Ms Joni Simpson**, Senior Specialist, Gender, Equality and Non-discrimination, DWT-Bangkok.

After the presentations the participants met in smaller groups to discuss how to best harness the potential and mitigate the risks stemming from the key drivers of change facing the sector. The main conclusions of the group's discussions are provided below.

Technological change

Technological change was inevitable and new technology was entering the garment industry through automation, robotization and digitalization. However, the risk of workers losing their jobs in apparel and footwear manufacturing had been likely overestimated. The uptake of automation was still slow in the garment industry. There were still technical impediments making it more difficult to replace the garment sector workers with machines than in other industries. While automation was common in textiles and cutting, the pliability of fabrics was still a major challenge for assembly. Furthermore, automation systems were expensive and required new workforce skills being adopted. Economic considerations were as important (if not more) as technological considerations. Automation had been slow due to the industry's reliability on comparative advantages based on low labour costs in garment producing countries. However, digitalization on the rise was a first step towards automation.

In the breakout session the group discussed questions such as what opportunities are there for skills upgrading? What type of policies are needed to best harness and maximise these opportunities and what is the role of constituents? Will jobs be moved away from Asia amid a new geography of production?

Some key takeaways from the discussion were that this change will not be black/white but a transition. New technologies can bring a hybrid model of worker-machine collaboration where workers are essentially needed to achieve higher productivity in the sector. New digital technology can also support skills matching. The government role is vital in terms of leading innovation roadmaps, industrial development policy and supporting skills upgrading. There is a risk for gender stereotyping and female workers missing out on skills upgrading, and thus a need for a systemic approach to education opportunities for girls.

Environmental impact and the climate challenge

Some key statistics that highlight the environmental impact of the garment and textiles sector were that less than 1 per cent of clothes are recycled into new clothing, 83 per cent is sent to landfill or burned. The concept of *just transition* to greener and carbon-neutral business models is connected to decent work, and the importance of equal access to representation and to bring in the voice of the majority workers in the industry (who are women) was highlighted.

Some key questions and takeaways discussed were the different barriers to environmental sustainability throughout the garment sector, and how they should be addressed. Employers face a range of barriers to making just transition, including inadequate incentives, or over-regulation (that can lead to non-compliance). There is also a need for capacity building for both employers and workers concerning 'green skills' and awareness of the long-term commercial benefits of environmental protection and investments for a just transition.

Barriers for workers were focused around the issue of enforcement, and particularly strong local or community level monitoring and enforcement, and the pressure for environmental compliance. There is also need for general environment awareness capacity raising. Workers can and should be in the driving seat of making just transition at factory level (for instance towards environmental sustainability with decent work and social justice); but they need better tools to do so - capacity, knowledge, and a platform and voice. Finally, there were questions around the cost and who pays for the just transition? This should be front and centre of the social dialogue process in the industry.

Trade and globalization

Global supply chains are becoming more widespread and understood concepts in the world. The COVID-19 pandemic exposed volatility in the way supply chains operate and created distortions in supply and demand. This volatility is likely to continue during the pandemic and post pandemic period. Buyers are looking to source or produce their products closer to home, and e-commerce has created a greater need for speed and faster turnaround. There is a stronger focus on the sustainability aspect among consumers, especially from youth.

The breakout session discussed major trends affecting the garment and textiles sector right now, and how to be more resilient to shocks in the future. Some key takeaways were that we need to ensure not only sustainability and viability of business but also decent jobs for workers. Resilience is a question we need to answer collectively because production in producing countries rely on foreign markets. Government-initiated platforms have enabled workers and employers to discuss challenges in the sector and possible solutions to those challenges, but we also need to link this to other influential actors, namely international brands and buyers. Some participants indicated that supply chain practices can and should embrace a rebalanced relationship between brands, manufacturers and workers in the post-pandemic industry future. Finally, if the garment industry in this region can speak with one (tripartite) voice on the future of work it wants to see, it will be a stronger and more influential voice in realising change.

Gender equality

Some key gendered drivers of change were introduced ahead of the discussion. COVID-19 has increased women's unpaid care and domestic work burdens - leading to women's detachment from the labour market. While the challenges of the sector are complex, women's specific needs have often been absent from the policy responses, even in this highly feminized sector. Women are still found largely in low-skilled, lower paid jobs than men - and their jobs are more at risk to automation. The risk of violence and harassment has increased due to pressures related to the impacts of the pandemic. Further climate change impacts, leading to heat stress, are adding to these risks. There is need for further partnership, gender-responsiveness social dialogue and meaningful participation of women workers to enable a more integrated and human-centred approach across the sector.

The breakout discussion focused on opportunities for advancing gender equality in the sector, and how stakeholders can work together to ensure that more women can access emerging opportunities in higher skilled jobs. Partnerships were seen as critical for advancing gender equality, and capacity development for (women) workers is vital alongside creating actual pathways to equal opportunities. The industry needs to prioritise equal pay and creating opportunities for higher positions for women workers. There is a need for more government support for work-family balance, with laws and policies, and with tripartite dialogue to ensure the responses fit the need and context.

There is also greater recognition that violence and harassment are incompatible with a resilient and sustainable garment sector. Sector stakeholders are taking initiatives, but more can and should be done. The ILO Violence and Harassment Convention, 2019 (No. 190) provides strong guidance to prevent and address violence and harassment at work. There is need for more capacity building on Convention No. 190 among stakeholders.

4.3 Day 3: How we can get there

The last day was dedicated to building a better future of work, taking into account the 2021 Global Call to Action for a Human-Centred Recovery from the COVID-19 crisis that is inclusive, sustainable and resilient.

4.3.1 Building a better future of work for the garment sector

The session was moderated by **Mr Casper Edmonds**, Head of the Extractives, Energy and Manufacturing Unit in the Sectoral Policies Department of the ILO.

H.E. Mr Mustafizur Rahman, Ambassador Extraordinary and Plenipotentiary, Permanent Mission of the People's Republic of Bangladesh to the UN in Geneva, had kindly agreed to introduce the *ILO Global Call to Action for a Human-Centred Recovery from COVID-19 that is inclusive, sustainable and resilient* to participants. The Ambassador chaired the Committee at the International Labour Conference that negotiated and adopted the Global Call to Action in June 2021.

Mr Rahman highlighted how the Global Call to Action is grounded in the 2019 ILO Centenary Declaration for the Future of Work, which provides a clear and comprehensive way forward for constituents to navigate an increasingly uncertain future. The Call to Action itself commits Member States of the ILO to work towards an economic and social recovery from the crisis that is fully inclusive, sustainable and resilient. It calls for policies that prioritize the creation of decent jobs for all and that address inequalities. It furthermore outlines a comprehensive agenda with specific measures to promote inclusive employment and economic growth, protection for all workers, universal social protection and social dialogue. The Ambassador highlighted how the Global Call to Action commits all Member States to invest in sectors that were hit hard by the crisis as well as in sectors with the greatest opportunities for the creation of decent work, such as the textiles and clothing sector in Asia and the Pacific.

The following panel discussion included presentations from **Mr Sudi Astono**, Labour Inspectorate, Directorate General for Labour Inspection & OSH Department, Ministry of Manpower, Indonesia and **Mr Athit Kong**, President, Coalition of Cambodian Apparel Workers Democratic Union, Cambodia. Mr Astono shared examples of how the pandemic had accelerated the transition to greater digitalization and digital services of public administration, including online labour inspections, trainings and systems for monitoring compliance. Mr Kong above all called for minimum wages, social protection and respect for freedom of association and collective bargaining.

The discussion and following plenary were based around five key questions for building a better future of work for the garment sector:

1. How can we promote a broad-based, job-rich recovery with decent work opportunities for all in the garment and textile sector?
2. How can we support business continuity and an enabling environment for innovation, productivity growth and sustainable enterprises, in particular for small and medium-sized enterprises?
3. How can we foster more resilient supply chains in the garment and textiles sector – one that contributes to decent work, environmental sustainability and sustainable enterprises along the chain?
4. What measures are needed to adequately protect workers, including through universal social protection?
5. How can we further strengthen social dialogue as the foundational principle for success in all of these endeavours?

The key takeaways from the discussions can be divided into three parts:

i. On economic growth and employment

The industry is vastly important for the economic recovery in the region, and for continued inclusive and sustainable economic growth. It is important to provide incentives for productivity growth, to support for the uptake of new technologies and to foster an enabling environment for sustainable small and medium enterprises as they represent the majority of the enterprises in the sector - and they create jobs.

Investments in skills and lifelong learning, and particularly reskilling and upskilling, are important as technological progress is fast. Investments in new forms of business models that are greener and cleaner are needed to ensure a just transition to environmentally sustainable societies and economies for all.

Building on the example of China, participants touched upon the potential of sustainable industrial policies to simultaneously advance exports, market share, competitiveness and decent work and environmental sustainability. Viet Nam was in the process of finalizing its industrial policy for the garment and footwear sector and this could serve as inspiration for other countries in the region.

ii. On social protection, safety and health and working conditions

To help workers and employers navigate an increasingly uncertain future there is a need for strong social protection floor, expanded to cover those in the informal economy. Some good practices of this were shared during the discussion.

Safety and health improvements should focus not only on viruses and other infectious diseases, but also address hazards and risks associated with building and fire safety, hazardous substances, biological agents, physical hazards, machinery, ergonomics and transport. Reference was made to the newly adopted ILO code of practice on safety and health in textiles, clothing, leather and footwear. It was being translated into several Asian languages and provided concrete solutions to improve safety and health and protect workers from hazards and risks.

There was a strong call for wages that would allow workers to keep their livelihoods and working conditions respectful of the needs of all, with particular attention to vulnerable groups such as migrants. There was also a strong call to revisit and rethink wage distribution policies.

Finally, participants reiterated the need for a robust transformative agenda for gender equality and to step up the ratification and implementation of the ILO Convention No. 190 on violence and harassment in the world of work.

iii. On social dialogue and rights at work

The meeting pointed out the need for strong labour market institutions to partake in stronger social dialogue and to find collective solutions. Respect for freedom of association and collective bargaining is crucial in that process. The pandemic has accelerated the transition to greater digitalization and digital services of public administration. There were innovative examples from panellists on how measures to support compliance have moved online during the pandemic, but also how the involvement of workers to ensure that compliance is included in national labour laws and that international labour standards are improved.

In this regard, it was noted that social dialogue must first and foremost be tripartite and, where relevant and appropriate, bipartite. However, other important and influential stakeholders need to be included in the conversations, particularly brands and buyers. Sectoral collective bargaining was emphasised as a means to effectively handle issues of common (sector-wide) importance, like wages. Mr Kong Athit (Cambodia) called for more binding commitments in supply chains, to enhance accountability and transparency in the relationship between brands, government, employers and unions.

Conclusions

The meeting ended with concluding remarks from a number of tripartite and UN speakers.

Ms Alette van Leur, Director of the Sectoral Policies Department of the ILO mentioned that after three days of conversations, one point that clearly stood out was that governments, employers' and workers' organizations and other key stakeholders are uniquely positioned to harness the potential of the garment and textiles sector - while ensuring that no one is left behind.

Mr Mohammad Humayun Kabir, Joint Secretary, Ministry of Labour & Employment in Bangladesh, noted some pertinent issues that need special attention in the future pursuit of a resilient and sustainable industry: first, the critical linkages of the factories with various entities in different parts of the globe should be guided by established norms and practices; second, a culture of fair commitment and requisite compliance should be upheld in the whole ecosystem; third, an emphasis should be given to incorporate the responsibility of the brands and buyers in all remedial measures of the industry; and finally, a mechanism should be developed to share the profits among the workers at all levels in a fair and just manner which are generated in the whole ecosystem starting from the suppliers to the retailer.

Ms Tran Thi Lan Anh, Deputy Secretary General, Viet Nam Chamber of Commerce and Industry (VCCI) noted that whilst employers support ILO efforts to advance strategies to harness decent work opportunities and redress shortcomings in supply chains (without the need for sector-specific supply chain strategies), the meeting had not fully discussed the challenges and opportunities of digitalization and other drivers of change. She also added that decent work challenges in global supply chains mirror decent work challenges in national economies, and as such are not typically caused by cross border trade per se.

Ms Kalpona Akter, President, Bangladesh Garment and Industrial Workers Federation (BGIWF) noted how inspiring it was to see discussions in the meeting put human faces at the centre. She expressed appreciation for the openness of government representatives and the commitment from employers, especially in campaigning for ratification of Convention No. 190 (in Pakistan). She also noted that in order to have a sustainable and resilient industry, stakeholders need to work collectively both in-country and across borders. Finally, she called for action, and stressed how policies will not matter without enforcement.

Ms Pauline Tamesis, UN Resident Coordinator to Cambodia noted that the garment industry has been on an increasingly unsustainable path for decades now, with only modest progress to redress its many social, environmental and human rights challenges. But now, as the industry reboots, it has a choice to make. The post pandemic recovery must be gender transformative, and the apparel sector will be a key sector in driving this process in places like Cambodia. This meeting has provided a unique opportunity for industry leaders to come together to collectively examine the drivers of change facing the industry, both today and in the coming years.

Ms Panudda Boonpala, ILO Deputy Regional Director for Asia and the Pacific noted that the meeting discussions have examined where the industry wants to go, and also started to build a picture of how to get there. However, the hard work of course lies in the implementation. She highlighted three key take-aways for how the stakeholders can jointly go about forging a new future of work in the sector, namely through partnership, solidarity and social dialogue.

► 5. Conclusions

The COVID-19 pandemic has had major impact on the garment and textile sector in Asia and the Pacific. It has destabilised the industry, employment and livelihoods, creating widespread hardships that are yet to abate. At the same time, it has also shone a light on the elements of our systems that are working and those that are not working. Meeting participants recognized that just as the garment and textiles sector forms the economic and social backbone of many countries in Asia, the sector will likewise be of critical importance to the long-term recovery of these nations in the post-pandemic era.

This tripartite regional meeting provided not just an opportunity to share insights and showcase initiatives aimed at addressing critical decent work deficits but also a forum to promote sectoral social dialogue. It was also about recognising that the sector is now a critical juncture, and one at which a better future of work can be possible if it is built on a common and hopeful vision, together with deliberate and concerted actions to harness decent work opportunities, from all industry stakeholders.

The key messages of the meeting - echoed by many of the speakers - were that many stakeholders were facing the same challenges emerging from major drivers of change affecting the sector, and that with this, solidarity is a key strength to be leveraged. Through strategic partnerships and joint action, constituents and other stakeholders can be better placed to help (re)build resilience, inclusiveness and sustainability in the sector. In the words of several participants, 2022 should be the year of social dialogue and action in support of these aims.

Governments, employers' and workers' organizations are uniquely positioned to harness the potential of the garment and textiles industries while making sure that no one is left behind. The meeting heard how there is already a *compass* for this work in the ILO Centenary Declaration for the Future of Work, together with a *roadmap* in the form of the recently adopted Global Call to Action for a Human-Centred Recovery from the COVID-19 crisis that is inclusive, sustainable and resilient.

To ensure a sustainable future and decent work in the sector, the industry needs to be one step ahead of megatrends and drivers of change, including digitalization, automation, climate change and changes in trade and consumer patterns. This can be done through building robust and inclusive mechanisms for social dialogue, and by building holistic, forward looking plans and strategies that invest in human capital and social protection, incentivise sustainable transitions in the sector, and promote and regulate the decent work landscape. Government has a lead role in driving these processes forward, with a strong partnership with workers' and employers' organizations for its success.

During the meeting, three key principles emerged for how to collectively build a *better* future of work in the sector: Partnership, Solidarity, and Social Dialogue. Discussions revealed how constituents from different countries see many commonalities in their current plight (the fallout from the pandemic manifest in similar ways across Asia's garment producing hubs). With this they see a strong case for improved industry partnerships as a means to address common challenges and build a more inclusive and resilient garment sector, with renewed commitments to decent work and environmental sustainability. Critical to this will be the continuation and expansion of all forms of dialogue, formal and informal and in bipartite and tripartite settings, as well as closer engagement and action with other critical stakeholders, notably international brands and buyers.

The ILO has a significant convening role in this process, and in helping to establish meaningful links between international labour standards and initiatives and national-level policies and action in the garment and textiles sector. To deliver real results, for example in closing decent work gaps and accelerating just transitions in the sector, policy design, dialogue platforms, and industry initiatives need to be informed by realities and demands on the ground, and owned by those who have the biggest stake in their success: the workers and employers themselves.

► 6. Summary of proposals made by constituents

Recognizing that the meeting was not intended or mandated to deliver official (i.e. negotiated) conclusions or outcomes, the following is a summary of the proposals made by constituents during the course of the meeting.

- **Adopt the human-centred approach when strategizing recovery from the COVID-19 crisis.** Governments, employers' and workers' organizations, together with other industry stakeholders, must come together to take urgent and coordinated actions to ensure that the resumption of industry operations does not leave vulnerable workers behind. All parties should take into account the [Global Call to Action for a Human-Centred Recovery](#) which sets out priorities to support sustainable enterprises while extending social protection to workers.
- **Continue and expand all forms of social dialogue within the garment and textiles industry.** This includes both formal and informal dialogue, in bipartite and tripartite settings, as well as closer engagement and action with other critical stakeholders, notably international brands and buyers. Dialogue mechanisms should be strengthened to ensure that it is robust, inclusive and gear toward holistic strategies for sustainable transition of the sector.
- **Promote further ratification and implementation of key ILO Conventions.** The development of coordinated work plans (by Governments) to ratify the eight fundamental Conventions - and apply them in national laws - would be an important step in strengthening national accountability frameworks for decent work. As a highly feminized industry, ratification of ILO Convention N° 190 on workplace violence and harassment would particularly help address gender-based violence and harassment in the garment and textiles sector.
- **Strengthen industry partnerships to address common challenges and find collective solutions.** Industry leaders can take advantage of regional platforms, networks and multistakeholder initiatives to connect with those working on the same issues, exchange knowledge and experience, and build cross-country alliances and cooperation to tackle pressing decent work issues facing the industry.
- **Promote, regulate and enforce decent working conditions throughout the garment and textiles supply chain.** Constituents and industry actors must support decent work through their mandates. Businesses need to take responsibility for labour practices across their operations, including their lower-tier suppliers. Governments, brands, manufacturers, unions should work together to increase wages to sustain and improve livelihoods and working conditions and ensure internationally guaranteed rights are respected.
- **Expand social protection systems to mitigate future shocks, especially to workers in the informal economy.** The COVID-19 pandemic highlights the important of public infrastructure for social services as it allows societies to cope with emergencies and calls for more functioning social protection floors for workers in the garment and textiles supply chain.
- **Foster an enabling environment for sustainable small and medium-sized enterprises.** Most companies in the garment and textiles sector are small and medium-sized with varying capacity-constraints. With the support of the ILO, governments and multinational enterprises should make concrete efforts to simplify complex regulations and licensing system for SMEs as well as to enhance capabilities to innovate and adopt new technologies through grants, training and investment in public infrastructure. Supporting the formalization of SMEs can be integral to generation of productive and decent jobs in the sector.
- **Invest in reskilling and upskilling of workers.** Governments should provide strategic incentives to stimulate productivity growth, investment in human capital, and uptake of new technologies in the garment and textiles sector. Enterprises must support worker training to help match their skillsets with the evolving landscape of (garment and textile) production. Industry actors should adopt the approach outlined in the ILO Centenary Declaration, which calls on Member States to ensure all people benefit from the changing world of work.

- **Enhance investments for a just transition to environmental sustainability.** Enterprises must take into account new forms of green, sustainable and circular business models to improve supply chain management and reduce material use and waste generation. Planning for “green jobs” and capacity building concerning for “green skills” among policymakers, employers and workers are also needed to ensure that workers will be prepared and protected along the process of building back better.
- **Redress gender inequalities throughout the garment and textiles sector.** As a highly feminized industry, garment and textiles stakeholders should prioritize efforts to increase women’s voice, leadership and representation in social dialogue and industry planning processes, including Covid-19 recovery strategies.

▶ 7. List of official participants¹

Government representatives and advisers

Bangladesh

H.E. Mr Mustafizur Rahman	Ambassador Extraordinary and Plenipotentiary, Permanent Mission of the People's Republic of Bangladesh to the United Nations, Geneva
Mr Mohammad Kamruzzaman	Counsellor, Permanent Mission of the People's Republic of Bangladesh to the United Nations, Geneva
Mr Mohammad Humayun Kabir	Joint Secretary, Ministry of Labour and Employment
Mr. Abdul Mumin	Assistant Inspector General (Safety), Department of Inspection for Factories and Establishment, Ministry of Labour and Employment

Cambodia

H.E. Ms Vannaroth Sovann	Secretary of State, Ministry of Labour and Vocational Training
Mr Sopheak Phun	Advisor, Ministry of Labour and Vocational Training
Ms Lanin Tan	Deputy Director, Department of Macro-economic and Fiscal Policy, Ministry of Economy and Finance
Ms Socheath Eng	Research Assistant General Secretariat, Committee on Economic and Financial Policy, Ministry Economy and Finance

China

Ms Huang Kun	Director, Ministry of Human Resources and Social Security
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Indonesia

Mr Sudi Astono	Labour Inspectorate, Directorate-General for Labour Inspection and OSH Development, Ministry of Manpower
Ms Meynar Kusumo Wulandari	Industrial Relations Mediator, Directorate-General for Industrial Relations and Workers Social Security Development, Ministry of Manpower

¹ General Audience (non-speaking rights): 84 participants

Pakistan

Ms Alia Shahid Joint Secretary, Ministry of Overseas Pakistanis

Sri Lanka

Ms G. A. Rasika Perera Deputy Director-Planning, Ministry of Labour

Mr H. G. W. Gunawardena Secretary-Wages Board, Department of Labour, Ministry of Labour

Sweden

Ms Anna Jakenberg Brinck Deputy Head and Minister Counsellor, Embassy of Sweden to Thailand

Ms Asa Heijne Assessor, Embassy of Sweden to Thailand

Thailand

Mr Wutthisak Pathomsart Senior Labour Specialist, Ministry of Labour

Ms Pongsuda Porkpermdee Skill Development Technical Officer, Ministry of Labour

Viet Nam

Ms Nguyen Thi Hong Diep Deputy Chief Inspector, Ministry of Labour, Invalids and Social Affairs

Ms Bui Thai Quyen Vice Head, Division for Planning and International Cooperation, Ministry of Labour, Invalids and Social Affairs

Employers' representatives

Mr Majyd Aziz Employers' Federation of Pakistan (EFP)

Mr Farooq Ahmed Bangladesh Employers' Federation (BEF)

Mr Dilip Chenoy All India Organisation of Employers (AIOE)

Mr Tran Thi Lan Anh Viet Nam Chamber of Commerce and Industry (VCCI)

Ms Siriwan Romchattong Employers' Confederation of Thailand (ECOT)

Ms Diana Savitri The Employers' Association of Indonesia (APINDO)

Mr Rick Lambell Kmart

Workers' representatives

Mr Gautam Mody	General Secretary, New Trade Union Initiative (NTUI), India
Ms Kalpona Akter	President, Bangladesh Garment and Industrial Workers Federation (BGIWF), Bangladesh
Mr Anton Marcus	President, Free Trade Zones and General Services Employees Union (FTZGSEU), Sri Lanka
Mr Nadeem Parwaz	President, Pakistan Textile Garments Leather Workers Federation (PTGLWF)
Ms Athit Khong	President, Coalition of Cambodian Apparel Workers Democratic Union (CCAWDU)
Ms Sumiyati	Executive member, National Labour Union (SPN), Indonesia
Ms Ha Phuong Thao	The Vietnamese Union of Industry and Trade (VUIT)
Ms Sia Jampathong	President, Confederation of Industrial Labour of Thailand (TFWT CILT)

Persons representing international organizations

United Nations

Ms Pauline Tamesis	UN Resident Coordinator to Cambodia
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International Organization of Employers (IOE)

Mr Matias Espinosa	Adviser
Ms Akustina Morni	Adviser for Asia-Pacific

International Trade Union Confederation (ITUC)

Ms María Teresa Llanos	Assistant Director
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IndustriAll

Ms Christina Hajagos-Clausen	Director, Textile and Garment Industry
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Meeting Secretariat

Ms Alette van Leur	Director, SECTOR
Mr Shinichi Akiyama	Deputy Director, SECTOR
Mr Casper Edmonds	Unit Head, SECTOR
Ms Beatriz Cunha	Specialist: textiles, clothing, leather, footwear, SECTOR
Mr Taher Mohammed	Meetings Coordinator, SECTOR
Ms Niamh Hogan	SECTOR
Ms Simone Rosa	SECTOR
Ms Tugschimeg Sanchir	ACT/EMP HQ
Mr Don Eung Lee	ACT/EMP Bangkok
Ms Anna Biondi	ACTRAV HQ
Mr Rafael Peels	ACTRAV HQ
Mr Pong-Sul Ahn	ACTRAV Bangkok
Mr Dan Rees	BETTER WORK
Ms Ariana Rossi	BETTER WORK
Ms Sarah Thomas	BETTER WORK
Mr Conor Boyle	BETTER WORK
Ms Tara Rangarajan	BETTER WORK
Mr Chihoko Asada-Miyakawa	ILO Bangkok
Mr Arron Goldman	ILO Bangkok
Mr Charles Bodwell	ILO Bangkok
Mr Christian Viegelahn	ILO Bangkok
Ms Cristina Martinez	ILO Bangkok
Mr David Williams	ILO Bangkok
Ms Hongye Pei	ILO Bangkok
Mr Jiraporn Wongpaithoon	ILO Bangkok
Mr John Ritchotte	ILO Bangkok
Mr Joni Simpson	ILO Bangkok
Mr Laurel Hoffner	ILO Bangkok
Mr Monrudee Sucharitakul	ILO Bangkok
Ms Panudda Boonpala	ILO Bangkok
Ms Samantha Sharpe	ILO Bangkok
Mr Sasiwan Mookhasen	ILO Bangkok
Ms Simona Lepri	ILO Bangkok
Mr Steven James Needham	ILO Bangkok
Ms Wanida Losithong	ILO Bangkok
Mr Wirunpat Meebungprav	ILO Bangkok

Contact details

ILO Regional Office for Asia and the
Pacific
United Nations Building
Bangkok 10200
Thailand

T: +66 2288 1234
E: BANGKOK@ilo.org
W: www.ilo.org/asiapacific