

COVID 19: Action in the Global Garment Industry 2021 Outlook

COVID-19: Action in the Global Garment Industry is a coalition of more than 125 industry stakeholders who have come together to mitigate the negative impacts of the pandemic and build a stronger industry for the long term. The initiative calls for action to protect garment workers' income, health and employment, support employers to survive during the COVID-19 crisis, and to work together to establish sustainable systems of social protection for a more just and resilient garment industry.

An International Working Group, convened by the ILO and coordinated by International Organization of Employers and International Trade Union Confederation, has been working since April to deliver on the commitments and to support progress in priority countries, Bangladesh, Cambodia, Ethiopia, Haiti, Indonesia, Myanmar, and Pakistan. The Working Group includes brands and manufacturers, workers and employer organizations, and governments.

Achievements

Key achievements as of December 2020 include the following:

- **The International Working Group has engaged International Financial Institutions to urge support for the Call to Action's priorities.** Most emergency finance mechanisms provide budgetary support directly to member states and not to specific sectors. However, strong synergies have been identified between the objectives and scope of many of these funds and the purposes of the Call to Action, which provides an opportunity for the Call to Action to influence disbursement of the funds. ILO has secured finance from development partners to support income protection and business continuity in the garment sector in Ethiopia, Bangladesh, Cambodia and Indonesia.
- **Tripartite committees - including governments, employers and workers – have been established in all Call to Action countries** to ensure a consensus regarding the needs of the sector in each country. Needs analysis are currently underway in Pakistan, Myanmar, Haiti, and Ethiopia. This platform enables the industry to create a common vision in each country, enabling prioritization of available funds.
- The Call to Action supports **national working groups to access to available finance** and to advocate for such funds to governments and IFIs. In some countries where commitments have been made, disbursement is still pending and/or the garment sector has not been sufficiently included. In these cases, such as in Indonesia and Cambodia, the tripartite committees are advising on disbursement.

2021 Outlook

The ongoing impacts of the pandemic underline the continued importance of the Call to Action as a unifying coalition for the garment industry. In 2021, priorities will include:

- The Call to Action will continue to coordinate industry stakeholders to assess the **changing needs of the sector as the pandemic continues** into second and third waves
- **National level committees will be essential** for coordinating national stakeholders, mobilizing current and future funding, and ensuring the garment sector is included in government dispersal plans, and speeding up disbursements.
- A focus on **strengthening public social protection mechanisms in target countries** will be critical for ensuring the industry becomes increasingly sustainable and resilient to shocks. Potential donors have stressed the importance to them of understanding the unique role of different actors in strengthening long-term social protection systems. Members of the international working group also stress the importance of securing engagement by national governments in committing to extend national social protection systems.
- The role of employers, MNEs, brands, and retailers in supporting the extension of social protection in particular to workers where national social protection systems still need to be established/rolled out.

More comprehensive updates on current signatories and activities at the country level are available at https://www.ilo.org/global/topics/coronavirus/sectoral/WCMS_742343/lang--en/index.htm.