



Multinational corporations are increasingly concerned about labour standards in their supply chains. Poor labour law enforcement capacity in countries where suppliers are located has resulted in multinational buyers themselves auditing working conditions in factories, often duplicating the same auditing efforts against different codes of conduct. This is expensive, inefficient and frustrating for everyone involved.

Better Work, a unique partnership between the International Labour Organization (ILO) and the International Finance Corporation (IFC), brings together government, employers, workers and international buyers to improve labour standards compliance and competitiveness in global supply chains. By consolidating enterprise assessments and reducing costs associated with identifying the problems, more funds can be redirected to finding and implementing actual solutions.

One of the key success criteria of Better Work is the ongoing support and participation of international retailers and brands.

INTERNATIONAL BUYER PRINCIPLES

There is a critical need for buyers to be committed to the overarching objectives of the programme, actively engaged in its implementation, and vocal in their support to other stakeholders. Buyers committed to Better Work agree to the International Buyer Principles acknowledging their responsibility to take the following steps:

1. Participate consistently in the Buyers' Forum:

- a. Send staff to in-country meetings, including compliance and sourcing representatives when possible
- b. Send decision-makers to annual global Buyers' Forum meetings (in Europe or the United States)
- c. Ensure communication between headquarters and operational staff to ensure consistency of message and approach;

2. Actively work toward strategic monitoring:

- a. Stop company auditing in areas being covered by the programme and focus efforts on supporting collaborative improvement planning
- b. Access supplier compliance information via the STAR information management system
- c. Target internal alignment between compliance and procurement departments;

3. Actively encourage engagement by suppliers and agents (where applicable) in Better Work programmes, including cost sharing for enterprise-level advisory services and training;

4. Focus on improvement processes:

- a. Commit to not terminating nor significantly reducing orders based on non-compliance (1) provided that suppliers are transparent on problems and showing significant and continuous progress according to Better Work improvement plans
- b. Support and actively use the Better Work single improvement planning process

- c. Stay actively engaged in working with suppliers and the Better Work team on continuous improvement, and recognize that improvements may in many cases require a longer-term approach
- d. Consider internal buying practices that may be influencing non-compliance at supplier facilities.

⁽¹⁾ With the exception of critical or zero-tolerance issues.

THE BUYERS' FORUM

The Buyers' Forum is a community of companies with supply chains in developing countries who have a shared interest in the Better Work programme and are committed to supporting innovative solutions to meet labour standards challenges. The forum provides an opportunity for international buyers to identify and discuss these challenges and solutions using a variety of channels.

International Meetings

There are two global Buyers' Forum meetings each year, one in Europe and one in the United States. They provide an opportunity for buyers to offer critical feedback to Better Work. Meetings are also hosted at the regional level as needed.

Country Level

National-level Buyers' Forum meetings are organized in programme countries around specific industries. These meetings give buyers the chance to provide input to the Better Work country programme, as well as to interact with national stakeholders (government, employers and unions).

Between Meetings

Buyers' Forum members continue discussions with Better Work, between meetings, to keep up to date with plans, developments and projects.

SUPPORTING THE SUCCESS OF BETTER WORK

US Buyers Contribute Over US\$ 1 Million to Better Work

Four major US companies—Gap Inc., Levi Strauss Foundation, Nike and Wal-Mart—support Better Work's global programme through contributions administered by the US Council for International Business Foundation. In 2009, these companies announced a collective contribution of US\$ 850,000 to support the development of assessment and training tools that will have direct impacts in supplier factories. In addition, the Walt Disney Company contributed US\$ 200,000 through IFC.*

Levi Strauss Supports Pilot Worker Capacity Building in Vietnam

At an individual country level, the Levi Strauss Foundation has contributed US\$ 75,000 to a project that is being implemented by the Workers' Bureau (ACTRAV) of the ILO and directly complements the activities of Better Work Vietnam. This project will strengthen the dialogue between workers, employers and government, and improve workers' understanding of the role of the trade unions and their rights and responsibilities as members.

Multiple International Brands Fund Supervisory Training in Cambodia

In Cambodia, Adidas, Gap Inc., Levi Strauss & Co., Sears, Wal-Mart and The Walt Disney Company have provided financial support for training programmes for their suppliers who participate in Better Factories Cambodia. These activities, including supervisory skills training, directly contribute to improvements in factory operations and workplace cooperation.

* Private sector donors do not participate as donor representatives on the Advisory Committee, which provides guidance on Better Work's strategic goals and operations. All decisions relating to programme management remain independent, and are overseen solely by a Management Group comprising representatives from the ILO and the IFC. Corporate donors follow ILO guidelines on public-private partnership that, among other provisions, restrict publicity for companies making donations, require approval from ILO's Workers' and Employers' Bureaus and acknowledge the companies' endorsement of the fundamental principles of the ILO.

Are you interested in how Better Work is improving compliance with labour standards in global supply chains? For more information on the programme, and how international buyers/brands can participate, please visit our web site at <http://www.betterwork.org>.



BETTER WORK

www.betterwork.org

