Myanmar during the COVID-19 Crisis: Working together to Protect the Health and Welfare of Workers and supporting the payment of Workers and Factories

The COVID-19 pandemic is triggering an unprecedented public health and economic crisis worldwide, with severe socio-economic effects on communities, workers, and businesses. As part of global supply chains, the Myanmar garment and footwear industry has been hit by this crisis. These circumstances require a rapid and coordinated joint approach and action by all stakeholders in global supply chains and in the country, in particular employers, workers, global brands, government and development organizations.

The parties endorsing this statement commit to work together to effectively operationalize the <u>COVID-19 Call to Action in</u> the <u>Global Garment Industry</u> agreed by the International Organisation of Employers (IOE), the International Trade Union Confederation (ITUC) and IndustriALL Global Union.

The parties recognize the importance of freedom of association and social dialogue built on mutual respect and trust as a sustainable process to fairly address the consequences of the current COVID 19 pandemic and commit to cooperate in good faith to achieve the following objectives:

- 1. Secure the workplace health and safety of garment and footwear workers in Myanmar and mitigate the impact of the crisis on factories and workers.
- 2. Promote respect for the ILO Core Labour Standards including the principle of Freedom of Association as defined by International Labour Standards and outlined in the Myanmar Freedom of Association Guideline.
- 3. Engaging with relevant organizations to support rapid and innovative fund-mobilization so that suppliers can preserve their activities which is vital to prioritizing jobs and incomes of workers immediately and throughout the extended period of the crisis.
- 4. Support the development of social protection floors and to extending social protection for workers and employers in the garment industry in Myanmar.

In order to achieve this, the parties will work on the following immediate next steps:

- a. Support an ILO research for calculating the funding necessary to address the salary loss of workers in the Myanmar garment and footwear industry from April to July in order to enable discussions with potential funding partners.
- b. Engage with relevant organizations to mobilize resources for covering salary loss of workers in the industry from April July in coordination with the "COVID-19: Action in the Global Garment Industry" call to action.
- c. Promoting compliance with health and safety regulations.
- d. Require compliance with the <u>Myanmar FOA Guideline</u> in ACT supplier factories and promote compliance in the entire industry.
- e. The trade unions and employers commit to addressing issues of joint concerns to the tripartite dialogue structures (e.g. National Tripartite Dialogue Forum). The brands will support the national tripartite social dialogue.

This will be accompanied by a forthcoming Action Plan, supported by the following commitments by each party:

Commitments of Trade Unions

The trade unions endorsing this statement commit to promote safe and healthy workplaces based on the COVID-19 related regulations and guidance set by the Myanmar government. This includes in particular:

a. To raise awareness about the economic impacts of the pandemic on the sector, and efforts of trade unions to engage in social dialogue with employers to mitigate the crisis.

- b. To remind members and other workers to carefully assess the impact of possible industrial actions in the current situation.
- c. Encourage those workers that will or have already gone to their home places to come back in a timely manner, to follow the community quarantine guidelines and inform the employers and the Social Security Board (SSB).
- d. Where there are unions in the workplace, encourage them to pursue solutions through social dialogue.
- e. Raise awareness among union members and other workers to follow the infection protection measures imposed inside and outside the workplace.

Commitments of Employers

The employers endorsing this statement commit to promote safe and healthy workplaces based on the COVID-19 related regulations and guidance set by the Myanmar government. This includes in particular:

- a. To actively engage in dialogue with trade union representatives, other worker representatives and their workforce on the impact of the pandemic.
- b. To inform and consult with trade union representatives and other worker representatives in a timely manner on the company's business strategy in response to the pandemic and on possible joint measures to mitigate the crisis.
- c. To remind members of management to carefully assess the impact of possible industrial actions in the current situation.
- d. To elaborate short and mid-term opportunities to redirect production in times of the pandemic, for example to produce Personal Protective Equipment (PPE) or other material needed to mitigate the pandemic.
- e. To calculate data on minimum production load that is needed to keep the factory open, the loss of production capacity and efficiency due to the pandemic and the preventive measures.

Commitments of Global brands

The global brands endorsing this statement commit to responsible purchasing practices, including in particular:

- a. Paying manufacturers for finished goods and goods in production.
- b. Maintaining quick and effective open lines of communication with supply chain partners about the status of business operations and future planning.
- c. Should financial circumstances permit, direct support to factories can also be considered.

These joint actions are endorsed by:

Trade unions





Employers

Paul Zhu Delegate of the Employer Working Group of ACT brand suppliers

Global brands

BESTSELLER H&M Group

INDITEX NEX



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