

## **Ground-breaking Binding Agreements Signed Between Apparel Brands and IndustriALL Global Union to Support Collectively Bargained Wages for Garment Workers.**

[ACT \(Action, Collaboration, Transformation\)](#) is proud to announce that it has successfully supported brands and IndustriALL in reaching individual binding agreements which will support collective bargaining agreements in Cambodia.

On Thursday 23 May at the Global Fashion Summit: Copenhagen Edition 2024, [ACT](#) will present a new approach to supply chain industrial relations, to support wage improvements, better working conditions and a future-proof industry.

These bilateral support agreements between individual brands and IndustriALL Global Union are distinct from the parallel and ongoing collective bargaining process in Cambodia. The individual support agreements mark a significant milestone in the move towards the first-ever brand-supported collective bargaining agreement in the Garment and Footwear sector.

The key areas of how brands can support collective bargaining agreements were designed collaboratively with partners in Cambodia recognizing that this shift toward binding agreements on wages necessitates legally binding commitments by individual brands specifically tailored to meet the priorities of social partners in Cambodia. ACT (Action, Collaboration, Transformation) is an agreement between IndustriALL Global Union and international brands and retailers in the garment and footwear industry to support sustainable wage growth through collective bargaining in production countries.

Setting a new standard in supply chain industrial relations, these agreements foster sustainable structural transformation and support for sound industrial relations. This approach adopts a win-win strategy, aiming to meet investor and human rights due diligence expectations on in-country outcomes and addressing brand obligations on meaningful stakeholder engagement.

"The individual agreements have the potential for broad impact on the apparel sector, setting higher standards and conditions and representing a new era for supply chain industrial relations", stated Mira Neumaier, Executive Director of ACT.

Atle Hoie, General Secretary of IndustriAll Global Union emphasised, "these agreements that we now have with brands to support collective agreements in the Textiles and Clothing sector in Cambodia is innovative and groundbreaking. We have worked on this for many years, and we finally see the result. This shows that when you take time to build trust and understanding you can achieve great things."

These agreements also support effective and sustainable industry collaboration amongst all actors across the value chain. They demonstrate strong leadership by brands, employers, and unions in the sector and signal the potential for a new era in wage approaches, freedom of

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association, and responsible purchasing practices. This is a call to action for all brands sourcing from Cambodia to enable the broadest possible implementation.

## **Additional information:**

[ACT \(Action, Collaboration, Transformation\)](#) is an agreement between IndustriALL Global Union and international brands and retailers in the garment and footwear industry to support sustainable wage growth through collective bargaining in production countries.

The ACT programme in Cambodia is implemented through the ACT foundation and directed through tripartite stakeholders of brands, employers and unions. In parallel to the negotiations towards the binding individual agreements, employers and trade unions in Cambodia are working on collective bargaining agreements for garment factories in Cambodia. The process for brands signing the individual agreements with IndustriALL and the collective bargaining process between the employers and unions in Cambodia are two distinct parallel processes. The process in Cambodia is ongoing and promising.

ACT will be represented at the Global Fashion Summit: Copenhagen Edition 2024, which takes place on 21-23 May.

Session Details: Date: 23 May, Time 11:45am-12:30pm CET. Panel discussion: Towards Binding Agreements on Wages

Presented by @globalfashionagenda, Global Fashion Summit stands as the leading international forum for sustainability in the fashion industry.

The forum in Copenhagen will dive into the 'Unlocking the Next Level' editorial theme. With deadlines for pledges made over the previous 15 years looming, the industry must now implement further actions that ambitiously address societal and environmental impacts and challenge the existing paradigm. The age of concepts and commitments is over – it is time to see near-term goals be implemented.

For further information on the individual agreements please refer to the individual brands media announcements.

## **Media Contact:**

[act@actonlivingwages.com](mailto:act@actonlivingwages.com)

+49 160 95 93 79 81

Mira Neumaier

Executive Director, ACT (Action, Collaboration, Transformation)

David Cichon

Head of Programmes, ACT (Action, Collaboration, Transformation)