

LABOR COMPLIANCE IN JORDAN'S APPAREL SECTOR
ACTIONS TO DATE AND NEXT STEPS

UPDATE 1

APRIL – MAY 2007

20 JUNE 2007



MINISTRY OF LABOR
AMMAN, HASHEMITE KINGDOM OF JORDAN

BACKGROUND

Action Plan Update

On 30 March, 2007 the Government of Jordan published a plan of action outlining steps undertaken and planned to improve oversight and compliance with Jordanian Labour Law and international labour standards, as well as to improve the general framework for labour administration in Jordan (see www.mol.gov.jo). The plan of action outlines a three-pronged approach, focusing on:

1. **Directly Improving Working Conditions through Enforcement and Compliance:** Conducting targeted inspections and taking other coordinated actions to directly improve working conditions in enterprises.
2. **Enhancing Institutional Capacity:** Strengthening the Jordanian government's institutional capacity through necessary reforms, increased allocation of resources, training, and coordination to support a sustainable compliance environment in the medium and long-term.
3. **Increasing Employment Opportunities:** Increasing the availability of Jordanian workers (in the apparel sector).

This document provides an update on progress made in implementing the steps identified in the plan of action. It does not cover the regular activities of the Ministry of Labour or other relevant Government bodies. It covers activities during the months of April and May, 2007.

1. Directly Improving Working Conditions through Enforcement and Compliance

The Government of Jordan has continued to take concrete steps to aggressively improve working conditions in the apparel sector, by conducting targeted inspections, improving existing compliance programs, and enhancing inter-ministerial coordination to strengthen enforcement; the steps taken are listed below. In addition to the summary information provided here, the Ministry will soon also begin issuing regular reports on its website containing detailed information on progress made with regard to inspection issues, including, where and when appropriate, findings for specific enterprises about which public allegations of worker rights violations have been made.

Targeted Inspections

- ***The Core Inspection Force:*** Following a successful trial period, a Core Inspection Force was formally established at the Central Ministry of Labor Inspectorate in March 2007. Teams from this Force of nine persons operate across the country and are responsible for undertaking all Golden List inspections, all Intensive Inspection Surveillance List (IISL) inspections, and other special inspections. From 30 March, 2007 to 31 May, 2007, teams from the Force undertook 9 Golden List Inspections, 4 IISL inspections, 24 Inspections of enterprises which have requested to bring in migrant workers, and 6 inspections to

verify allegations made by the National Labor Committee of worker rights violations.

- ***Establishment of an Intensive Inspection Surveillance List:*** An Intensive Inspection Surveillance List (IISL) was created on a trial basis at the Central Ministry of Labor Inspectorate in February and was formalized at the end of March, 2007. Enterprises with particularly egregious violations are placed on this list and will be subject to monthly inspections to ensure improvement. In May another factory was placed on this list. Subsequently, workers in this factory indicated that excessive working hours do not occur anymore, while reports of physical abuse have stopped and management has opened up channels of communication with workers.

Enhanced Industry-Government Compliance Program

- ***Golden List Revision:*** Revisions to the Golden List (GL) procedures were continued in April and May by undertaking further consultations with the private sector. On 14 May, 2007, the Golden List Committee met and agreed on the revisions; these revisions are currently awaiting issuance as a Ministerial regulation. Since the operation of the Core Inspection Force, procedures were already updated. Under new procedures, enterprises that almost qualify for GL status can reapply after one month (previously 3 months). Two enterprises, out of a group of seven that were considered in February and from which only two achieved GL status, met the requirements of the relevant criterion, reapplied and, having made the required improvements, qualified for GL status at the end of April and the beginning of May, respectively. A further two new enterprises applied for GL status, were assessed and subsequently awarded GL status on 3 May, 2007.

Enhanced Inter-Ministerial Coordination

- ***Inter-Ministerial Technical Level Committee:*** An ad-hoc inter-ministerial committee (comprised of technical mid-level staff from the Labor, Justice, Interior, and Trade ministries and the Intelligence Department) was established to investigate and respond to non-labor law violations, such as physical and sexual abuse and human trafficking. Investigations began in a specific factory identified as a serious violator. The Committee first met on 6 February, 2007 and undertook its first joint investigative factory visit on 13 February, 2007. It has developed recommendations for action to be undertaken by each ministry with regard to this specific factory, as well as some initial informal recommendations to improve coordination and cooperation between Ministries. In line with the recommendations, the MoL assisted six workers in filing a case against three supervisors who allegedly had slapped these workers. The workers filed a case on 23 April, 2007 and on 24 May, 2007 the Court found the supervisors guilty and sentenced them to the payment of a fine. This is the first time any supervisors were found guilty in a Court of Law in relation to complaints of physical abuse.

2. Enhancing Institutional Capacity

While taking direct actions to enhance compliance and improve conditions in the apparel industry, the Government of Jordan also has embarked on a series of institutional reforms and resource commitment to ensure long-term oversight and accountability. These efforts include:

Training Labor Inspectors

- **National Training Centre:** A new National Training Centre for Labor Inspectors has been established. The Ministry of Labor funded renovation of the premises and the ILO will provide initial technical assistance.
- **Inspector Training:** Additional training will be provided to both current and newly recruited inspectors of the Ministry of Labor. A one-week intensive course has been developed in cooperation with the ILO and the National Center for Human Rights and will be provided to current inspectors beginning this June. A group of 20 inspectors attended a two-week training course focused on matters relevant for QIZs at the ILO Training Centre in Turin, Italy from 7 -17 May, 2007. More intensive training of approximately two months for each inspector will follow to ensure the quality and unity of inspection services provided.

Ongoing Reform of Ministry of Labor

- **EU-Supported MOL Reform:** Recommendations from the EU-funded “Institutional Strengthening of the Ministry of Labor of Jordan” Project, were presented to the Minister and agreed upon in April, 2007. A meeting was held on 9 May, 2007 with all senior staff to present and discuss the reform recommendations as well as to take the first steps to implement the recommendations. EU consultants will return to Jordan in June to provide further assistance.

Ongoing ILO Projects and Programmes to Build Jordan’s Institutional Capacity

- **ILO Decent Work Programme:** On 30 August 2006, the GoJ and the ILO agreed on a Decent Work Country Program (DWCP) for Jordan. Some of the main focus areas of the DWCP are the development of an employment strategy, the strengthening of labour administration and social dialogue, and the development of the necessary legal and administrative mechanisms for migration management. On 18-19 April, 2007 a Mission of representatives from ILO Headquarters and the Office in Beirut visited Jordan. The group met with the social partners and other relevant stakeholders to discuss implementation issues. Subsequently, an implementation plan for the DWCP was developed and the Regional Director of the ILO visited Jordan on 21-22 May, 2007 to discuss the plan with the Minister of Labour and the Prime Minister. The ILO and the MoL are currently working on finalizing the implementation plan.

- ***ILO Project to Enhance Coordination and Dialogue:*** The ILO project “Strengthening the Social Partners’ Capacity for the Promotion of Social Dialogue” is scheduled to continue into 2010. It is aimed at improving the capacity of the Government of Jordan and the social partners to engage in tripartite and bipartite dialogue and cooperation. To this end, it is assisting the Government of Jordan with the establishment of a National Tripartite Advisory Committee (see below) as well as the establishment of an Economic and Social Council (see below). It has also been assisting the Government of Jordan in training inspectors as noted previously.
- ***ILO Project to Combat Forced Labor/Trafficking:*** The ILO project "Forced Labor and Trafficking in Jordan: a Pilot Program on the Qualified Industrial Zones" funded by the U.S. is scheduled to run from March 2007 to March 2008. The project aims to raise awareness amongst all stakeholders (inspectors, police officers, judges, employers, workers, NGOs, etc.) on trafficking issues, and develop manuals and guidelines to assist stakeholders in addressing trafficking issues. An initial workshop, in cooperation with JGATE, was organized to raise awareness on forced labour and trafficking issues amongst employers on 30-31 May, 2007. A study has also been commissioned to identify Jordanian legislation relevant to forced labour and trafficking and recommend possible legislative reforms.

A New ILO Monitoring and Compliance Programme

- ***ILO/IFC Better Factories Programme:*** With support from the ILO and the International Finance Corporation (IFC), the Government of Jordan, in collaboration with industry and labor stakeholders, is developing a factory monitoring and compliance assistance program in the apparel sector, based on a model “Better Factories Program” pioneered in Cambodia. On 18-19 April, 2007, the responsible ILO official and an official from the MoI met with the social partners and other relevant stakeholders in Jordan to discuss finalization of the project document. In May, endorsement of the Project was obtained from all the social partners. The ILO and the MoL are currently working on the development of a fund-raising strategy. The GOJ considers this program of such importance that it has indicated it is willing to make a substantial contribution to the US\$ 4 million required to implement the 5-year programme.

New bodies to improve social dialogue and decision-making

- ***Economic and Social Council:*** In February 2007, the Government of Jordan decided to establish an Economic and Council to improve social dialogue and informed decision-making processes. Following a visit from members of the Spanish Economic and Social Council at the end of March to explain the function and purpose of such councils, the Government of Jordan has developed a draft regulation, with the assistance of the ILO. A first discussion concerning the regulation has been held at the Cabinet level and further technical discussions are currently taking place.

- ***Tripartite Advisory Committee on Labour Affairs:*** The Government of Jordan has been working with the ILO towards the establishment of a Tripartite Consultative Committee on Labour Affairs to allow for better consultation of the social partners. A draft regulation was developed through a tripartite process, under the auspices of the ILO. During a tripartite meeting on 27 May, 2007 the social partners, represented by the Minister of Labour, the President of the Chamber of Commerce, the President of the Chamber of Industry and the President of the General Federation of Trade Unions signed a formal joint declaration document indicating their intent to establish the Committee. The MoL is currently preparing the relevant legal documents to be issued to establish the Committee.

3. Increasing Employment Opportunities

One of the means by which to reduce compliance concerns is to increase the availability of Jordanian workers in the industry, and thereby reduce reliance on guest workers. The programmes to enhance the availability of such workers (the World Bank Skills Development Program, the National Training and Employment Project, Technical/Vocational Training Reforms, the Rehabilitation of Employment Services Offices, and the USAID-funded Sustainable Achievement of Business Expansion and Quality (SABEQ)) are all ongoing. More detailed information on these activities will be provided in the next update.

CONCLUDING REMARKS

The Government of Jordan remains confident that it is well on its way to establish a strong compliance regime in the apparel sector. More broadly, it believes progress made in the implementation of its Action Plan demonstrates its firm and continued commitment to the development of sound labour administration and social dialogue systems that will be of benefit to all employers and workers in Jordan.

For additional information, please contact representatives of the Government of Jordan:

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