Outcome Evaluation of LABS Program in Vietnam, Cambodia and India

Final Report

8 February 2024

Submitted by: Mekong Economics in association with Tomorrow's Market Innovators Pvt Ltd and Educational Development Institute

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Acknowledgement

This report presents the findings of the outcome evaluation of the LABS Program in Vietnam, Cambodia, and India between September 2023 to January 2024. The evaluation was undertaken by Mekong Economics in association with Tomorrow's Market Innovators Pvt. Ltd and Educational Development Institute.

We wish to thank all stakeholders for their support in conducting the evaluation. The team is particularly thankful for the support and the open sharing of information and experiences by the visited factories, brands, NSC members, Government agencies, associations, institutions and outsourced firms. These were very helpful to the evaluation team in gaining a better insight into the evaluation and in formulating realistic and balanced recommendations. The team is also grateful for the open sharing of information and suggestions by the IDH/LABS team throughout the evaluation.

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Acronyms

CAP	Corrective Action Plan
CGTI	Cambodian Garment Training Institute
DAC	Development Assistance Committee
ESG	Environmental, Social, and Governance
FC	Factory Coordinator
FDI	Foreign direct investment
FGD	Focus Group Discussion
IBST	Vietnam Institute for Building Science and Technology
ILO	International Labour Organization
KAP	Knowledge, attitude, and practices
KII	Key Informant Interview
LABS	Life and Building Safety
LEED	Leadership in Energy and Environmental Design
LEFASO	Vietnam Leather and Footwear Association
MoC	Vietnam Ministry of Construction
MoLVT	Cambodia Ministry of Labour and Vocational Training
NSC	National Stakeholder Committee
OECD	Organization for Economic Co-operation and Development
OSH	Occupational safety and health
PGEAFC	Platform for Gender Equality in Apparel and Footwear in Cambodia
PSAFI	Platform for Safety in Apparel and Footwear Industry
QA	Quality Assurance
SDG	Sustainable Development Goal
ToC	Theory of Change
ToT	Training of Trainers
VITAS	Vietnam Textile and Garment Association

Executive Summary

Background. IDH operates globally to promote sustainable trade through coalitions that enhance business practices, sector governance, and field-level innovations, aiming for self-sustaining systemic changes to improve jobs, incomes, environment, and gender equality. The Life and Building Safety Initiative (LABS) is an industry-driven program, based on international best practices and codes, which aims to provide safer working conditions for factory workers in the apparel, footwear, accessories, and home textile industry. LABS emphasizes adherence to a harmonized, country-level standard for structural, fire, and electrical safety, offering a transparent platform for assessments, remediation frameworks, safety training, a worker helpline, and collaboration for in-country capacity building and local ownership.

The outcome evaluation aims to analyze program progress in India, Cambodia, and Vietnam, assess strengths and weaknesses in design and implementation, identify challenges and factors impacting activities, highlight good practices, and provide recommendations for corrective action. The evaluation, aligned with OECD DAC criteria, employs a mixed-methods approach involving qualitative and quantitative methods, and utilizes Laudes Rubrics Scale to evaluate the program against OECD DAC criteria. Consultations involve 30 LABS factories (10 per country) and 23 stakeholders, including brands, outsourced firms, government agencies and associations.

Relevance *(rated between "Conducive & Supportive" and "Thrivable")*. LABS is crucial for enforcing safety standards in apparel, footwear, accessories, and home textile factories. In Vietnam, LABS provides more detailed guidelines, and increases implementation. In Cambodia, LABS is vital due to the absence of standardized building frameworks, safety challenges within diverse factory workforce, and typical hazards in the apparel industry. In India, LABS tackles challenges like the implementation of the National Building Code, insufficient technical capacity in factories, and divergent stakeholders interests.

Coherence *(rated between "Conducive & Supportive" and "Thrivable")*. LABS strategically aligns with IDH's Corporate Theory of Change, focusing on systemic change, through its efforts in convening the public and private sector and at the same time demonstrating scalable efforts at field level (through training). Since its inception, LABS actively incorporates brand feedback, adapting to their needs.

Effectiveness *(rated between "Conducive & Supportive" and "Thrivable")*.

Proven Business Case for Field-level Projects. Since inception, LABS has demonstrated progress in its mission. With assessments, remediation and training, survey responses were very positive across the three countries. This effectiveness is reflected with high remediation of common issues, including emergency lighting, exit route clearance, and structural defect repairs. The helpline was not commonly used and in-person reporting or internal factory helplines/apps were reported as the most used ways to report any issues. Over the past two years, LABS has also focused on becoming more gender intentional.

Improved Sector Governance. LABS is committed to enhancing safety by establishing National Stakeholders Committees in collaboration with key industry associations, government agencies, and international institutions. This commitment is reinforced through knowledge-sharing platforms and collaborative events, such as the Platform for Gender Equality in Apparel & Footwear in Cambodia (PGEAFC) and Platform for Safety in Apparel and Footwear Industry (PSAFI), promoting data-driven insights on life and building safety. In Vietnam, LABS collaborates with the Vietnam Institute for Building Science and Technology (IBST) to improve safety standards and integrate LABS standards into government guidelines. In Cambodia, LABS aids in bridging building code gaps by providing the translated Methodology and Standards, and integrating standards into the 2nd Master Plan on Occupational Safety and Health.

Improved Business Practices. LABS standards form an integral part of internal training for new factory employees. LABS ensures transparency, holding factories accountable for public and government commitments. Brands emphasize supplier involvement in LABS for workplace safety, recognizing challenges such as diminished orders, layoffs, or remediation costs in specific factories. Vietnam's business landscape stands out for remediation, surpassing other countries due to the prevalence of higher-quality and more investment-friendly foreign-owned enterprises, in contrast to their local counterparts.

Efficiency *(rated "Conducive & Supportive")*. LABS has optimized operational efficiency by strategically outsourcing assessment, training, and remediation processes. The approach involves engaging local firms and international firms to ensure a standardized process globally which enables both standardization and local capacity building. This dual-pronged strategy aims to balance regional expertise and uphold global standards, showcasing LABS' commitment to efficient integration of local and global resources.

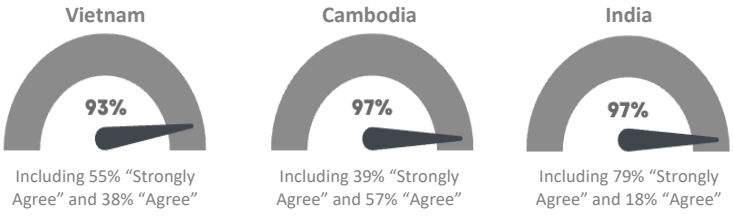
LABS has strategically evolved by incorporating stakeholder feedback, introducing structured Corrective Action Plan (CAP) policies with inspection firm sign-offs, and adding CAP closure visits in 2019. Safety training modules were revised for gender equality, and data management practices were enhanced, refining reporting templates and intensifying factory's remediation progress tracking.

Transparency is ensured through systematic publication of comprehensive reports on the website, underscoring LABS' commitment to high standards, addressing challenges, and adapting to stakeholder needs and the broader community.

Impact *(rated "Conducive & Supportive")*. *Transformed Factory Safety*. LABS training and ToT training program has allowed workers a deeper understanding of safety issues. Workers now better understand the technical details of safety risks and hazards and what they can do to assist in factory safety practices.

Impacted Business Practices. Outsourced firms optimize efficiency by sending survey questionnaires to factories in advance. LABS has brought about a shift in internal safety systems, moving beyond brand requirements and becoming an effort that workers and managers want to continue after graduation. Meanwhile, factories can achieve remediation, but it's challenging to develop sustainable safety management systems and cultures, which requires fostering a culture of continuous improvement.

"After being part of the LABS program I feel a lot **safer** (against structural, fire, and electrical risks) **now** than in the past."



Better Jobs for Workers. LABS improves workplace safety, promoting better jobs for workers by addressing immediate safety issues, raising industry awareness, and fostering a secure environment, with positive outcomes justifying it as a prudent investment.

Gender Impact. LABS introduces a gender module, bridging the gap between regulatory requirements and implementation. More than 75% of the survey respondents believe it positively influences gender representation in safety decision-making and integration of gender-related issues into safety procedures, suggesting a shift from neutrality to intentionality. Women's inclusion in ToT safety training enables them as workplace trainers. However, challenges in observing gender impacts exist due to recent inclusion, limited scope, and a small survey sample, warranting cautious interpretation. Looking ahead, LABS is committed to promoting gender equality by empowering female workers, addressing specific needs in safety training, and intensifying efforts for inclusivity in decision-making.

Sustainability *(rated between "Partly Conducive" and "Conducive & Supportive"). Factories' Commitment to Safety*. Post-LABS graduation, factories showcase sustained commitment to safety by integrating LABS standards into manuals, conducting regular internal safety checks, and prioritizing ongoing safety training, driven by strategic considerations. Despite financial constraints, factories exhibit a resolute commitment, partly to maintain client relationships, foster a long-term safety culture, and proactively adapt to emerging safety requirements and legal changes, as exemplified by referring to LABS standard in constructing a new building, showcasing a collective effort to uphold elevated standards. Across the three countries, 91% of respondents reported having adequate knowledge to maintain safety measures, similarly 79% reported having adequate human resources, 81% having adequate equipment and facilities and 73% adequate financial resources.

Across the three countries, and different job roles and genders, survey participants were keen for LABS standards to continue. But doubts arise regarding the likelihood and extent of continuation due to cost constraints and a lack of external pressures and audits. The lack of evident mechanisms for monitoring training replication is identified as a challenge, given the ToT approach's potential for knowledge dilution during implementation, relying on diverse capabilities beyond LABS' control. LABS employs post-graduation support, but the enduring success of safety interventions depends on the factories' ability to independently implement and maintain safety management systems.

Business Practice and Sector Governance. LABS demonstrates a commitment to long-term impact by integrating guidelines into the national framework and collaborating closely with key stakeholders. For example, the collaboration with MoLVT in Cambodia signifies strides in overcoming the disconnected national legislative environment. India's unique industry and national characteristics, compared to Cambodia and Vietnam, slow LABS impact beyond participating factories, facing challenges in diverse factory adoption and government disparities, yet ongoing initiatives like the PSAFI promote positive stakeholder collaboration.

Recommendations. The majority of recommendations generated from this assessment refer to the continuation and expansion of existing initiatives and activities. This includes an expansion of LABS work with policy advocacy by collaborating further with local governments, including opening LABS training sessions and assessment resources to government safety inspectors. Other recommendations include further collaboration with brands and certifications such as LEED and further adaptation of training and assessment methods to include specialist factories e.g. wool textiles. This evaluation also recommends an expansion of LABS into other industries and countries.

1. Introduction

1.1. Background

1.1.1. IDH

IDH is a leading organization that works with the private sector, governments, and civil society organizations, to support sustainable and inclusive agricultural production at scale in global agricultural supply chains. IDH accelerates and up-scales sustainable trade by building impact-oriented coalitions of front running companies, civil society, governments, knowledge institutions, and other stakeholders in several commodity sectors. IDH convenes the interests, strengths, and knowledge of public and private partners in sustainability commodity programs that aim to mainstream international and domestic commodity markets. IDH jointly formulates strategic intervention plans with public and private partners and co-invests with partners in activities that generate public goods. Headquartered in the Netherlands and funded by multiple European governments and private philanthropic donors, including the following institutional donors: BUZA, SECO and DANIDA. IDH works in partnerships with over 600 private sector companies, including global brands and retailers, in over 50 countries.

IDH formulates their intervention and exit strategies guided by the fundamental principle that changes in a system should be self-sustaining over time. The organization focuses on three key result areas: **improving business practices, improving sector governance, and proven business cases for field level innovations.** These areas collectively contribute to the creation of a self-sustaining cycle within the system. The organization is committed to fostering better jobs, better incomes, a better environment, and gender equality for all.

1.1.2. Problem Analysis

The global apparel industry, valued at $1.53 trillion[1] and employing over 45 million people, plays a significant role in the countries that LABS works in, including India, Vietnam, Cambodia, and Indonesia. However, building safety in the countries remains a grave concern[2] with hundreds of fires reported between December 2019 and August 2023, highlighting the urgent need for comprehensive safety measures (Figure 1).

Over the last 10 years, Viet Nam witnessed about 30,000 fires. Of these, about 72% stemmed from either unsafe electrical systems or careless use of fire or heat sources. Notably, approximately 29% of all fire accidents were from warehouses, companies, and production facilities.[3] Apparel factories face a high risk of fire due to the presence of flammable materials and continuously operating equipment, which may lead to overloads and short circuits.[4]

In apparel and footwear factories in particular, factories often integrate or build onto structures from earlier eras, rather than opting for relocation to new sites — a practice more prevalent in the ready-made garments industry. In Vietnam, the Ministry of Labour, Invalids and Social Affairs (MOLISA) reports and Better Work annual reports 2013-2023 show that common safety issues, especially those related to fire, structure and electrical safety (e.g. blocked emergency exits, inadequate safety signages, deficient fire detection systems, and poorly maintained electrical equipment, non-availability of building design and

[1] https://www.statista.com/topics/5091/apparel-market-worldwide/#editorsPicks

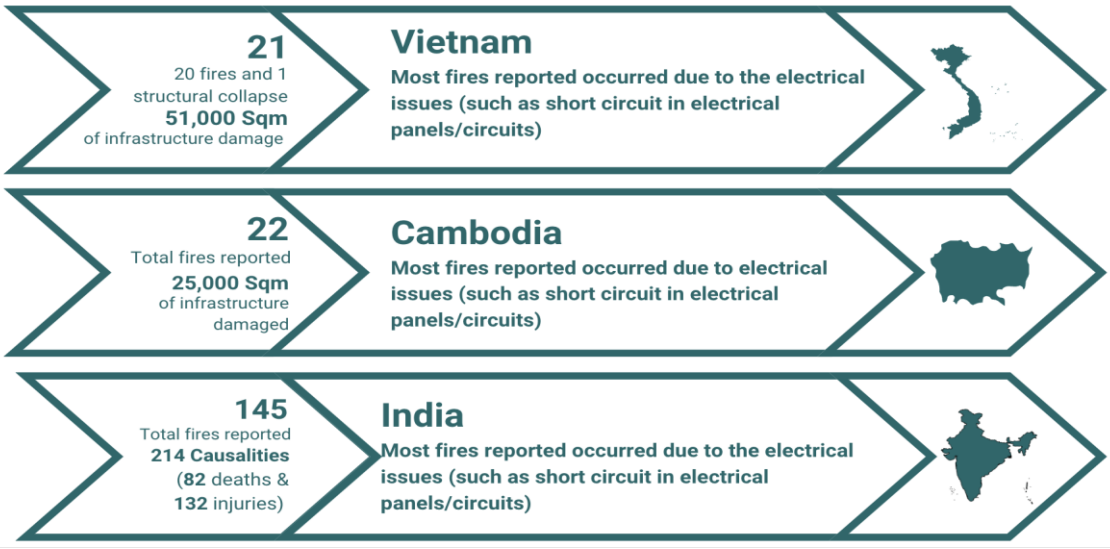
[2] Life and Building Safety (LABS) Initiative. (2023). LABS Overview (Version 2)

[3] NDO. (2023). [Infographic] Những nguyên nhân hàng đầu gây ra các vụ cháy trong 10 năm qua. Retrieved 8/12/2023, from https://nhandan.vn/infographic-nhung-nguyen-nhan-hang-dau-gay-ra-cac-vu-chay-trong-10-nam-qua-post772717.html

[4] Venkataramanan, P., Paulraj, P., Sivaprakash, P., Sivaprakash, K. (2019). Fire safety in textile industries – A Review. Industria Textila. 70. 523-526. https://doi.org/10.35530/IT.070.06.1615; Vietnam Garment and Textile Trade Unions (2022). Fire and explosion prevention at enterprises - taking prevention as a principle of labor safety management.

drawings, geo-technical reports etc.), have persisted for years in a number of factories, which requires a collaborative effort to address.

Figure 1: Accidents Reported in Fashion Industry Supply Chain in India, Cambodia, Indonesia, and Vietnam between December 2019 and December 2023



Source: LABS December 2023

In Cambodia, the growth of the apparel industry over the past decade has given rise to various safety concerns related to workers. The sector accounts for 57% of Cambodia's total exports in 2022 and over one-third of the country's GDP.[5] Despite this importance, Cambodia currently does not have a National Building Code nor any Guidelines for Safety for the Textile and Apparel Industry. National building standards are crucial for ensuring the safety and well being of individuals who work in those factory buildings and without these, there can be significant fire, electrical and structural safety risks in the factory.

Recent incidents underscore the need for safety programs, particularly given the significant proportion of women, children, and migrant workers in the country's factories. The ILO reported in 2018 that over 80% of apparel and footwear workers in Cambodia were under 35, with 4 out of 5 being female.[6] These groups are often more vulnerable to workplace accidents and injuries due to factors like inadequate safety training, limited awareness of their rights, and job security concerns.

In India, the apparel industry is a crucial economic player, ranking as the second-largest revenue source and a major employment provider.[7] However, industrial accidents persist, especially in the form of fire accidents.[8] Between 2016 and 2020, there were approximately 63,500 fire and electrical accidents, resulting in around 62,800 tragic deaths—an average of 35 fatalities per day. Notably, 10,000 electrical accidents occurred in India in 2019-2020, with 55% due to faulty installations. Increased accident risks in the textile, apparel and footwear industry often result from cost-saving measures, for example, using inferior building materials and insufficient installation of critical safety facilities.[9] This is worsened by the

[5] https://bowergroupasia.com/cambodia-transforms-textile-and-apparel-industry-with-new-road-map/

[6] ILO. (2018). Living conditions of garment and footwear sector workers in Cambodia. Cambodia Garment and Footwear Sector Bulletin. (8), pp.1-19. [Online]. Available at: https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_663043.pdf [Accessed 11 December 2023].

[7] Venkataramanan, P., Paulraj, P., Sivaprakash, P., Sivaprakash, K. (2019). Fire safety in Textile industries – A Review. Industria Textila. 70. 523-526. https://doi.org/10.35530/IT.070.06.1615.

[8] Mizanuzzaman, M. (2016). Loss and Damage Assessment in the Context of Fire Hazards: A Study on Selected Garment Factories in Bangladesh. International Journal of Finance and Banking Research,2(2), 24

[9] Karmarkar, M. (2023). Fire safety over cost: India's path to sustainable growth. Retrieved 11/1/2024, from https://realty.economictimes.indiatimes.com/blog/fire-safety-over-cost-indias-path-to-sustainable-growth/97909115

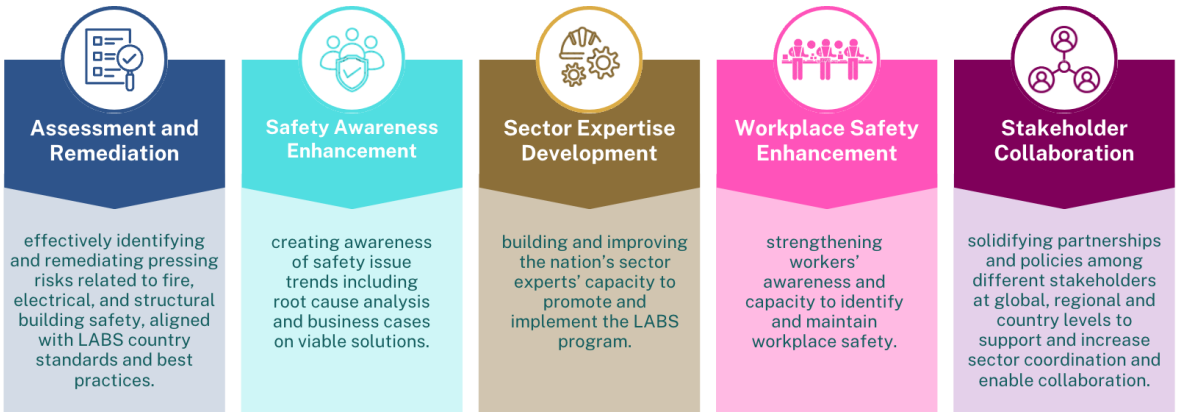
factory workforce's limited awareness of health and safety and management's neglect of Occupational Health and Safety.[10]

1.1.3. Life and Building Safety Initiative

The Life and Building Safety Initiative (LABS) is a collaborative program by a group of brands focused on shared assessments and a shared standard for life and building Safety. It is an industry-driven program initiated by the Textiles and Manufacturing business unit at IDH to improve electrical, fire and structural safety in factories, aiming to provide safer working conditions for factory workers in the apparel, footwear, accessories and home textile industry.

LABS provides a transparent platform for assessments, a framework for remediation, supported by safety training and a helpline for workers. The program engages with key stakeholders to create in-country capacity and long-term local ownership to ensure safer workplaces and thereby ensuring better working conditions for the workers in the factories (Annex 1). LABS works towards promoting life and building safety by building harmonized standards for a country, effectively identifying and remediating risks, creating safety awareness for stakeholders in the sector, building and enhancing sector e expertise on safety, strengthening workers' awareness, collaborating at local and global level, partnerships for scaling impact in the entire sector. (Figure 2).

Figure 2: Life and Building Safety Enhancement Dimensions



The LABS Standard and Methodology are based on international best practices and codes, such as the International Building Code[11], International Electrotechnical Commission[12], National Building Code of India,[13] National Building Code of Vietnam,[14] Cambodia Law on Construction,[15] National Building Code of Indonesia,[16] US' National Fire Protection Association.[17] LABS factories adhere to applicable country laws and LABS' harmonized standards around electrical, fire and structural safety.

LABS achieved key milestones as of January 2024 (Figure 3).

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[10] ibid

[11] https://codes.iccsafe.org/content/IBC2021P1/preface#:~:text=%E2%80%8BThe%20International%20Building%20Code,materials%20and%20new%20building%20designs.

[12] https://www.iec.ch/understanding-standards

[13] https://www.bis.gov.in/standards/technical-department/national-building-code/

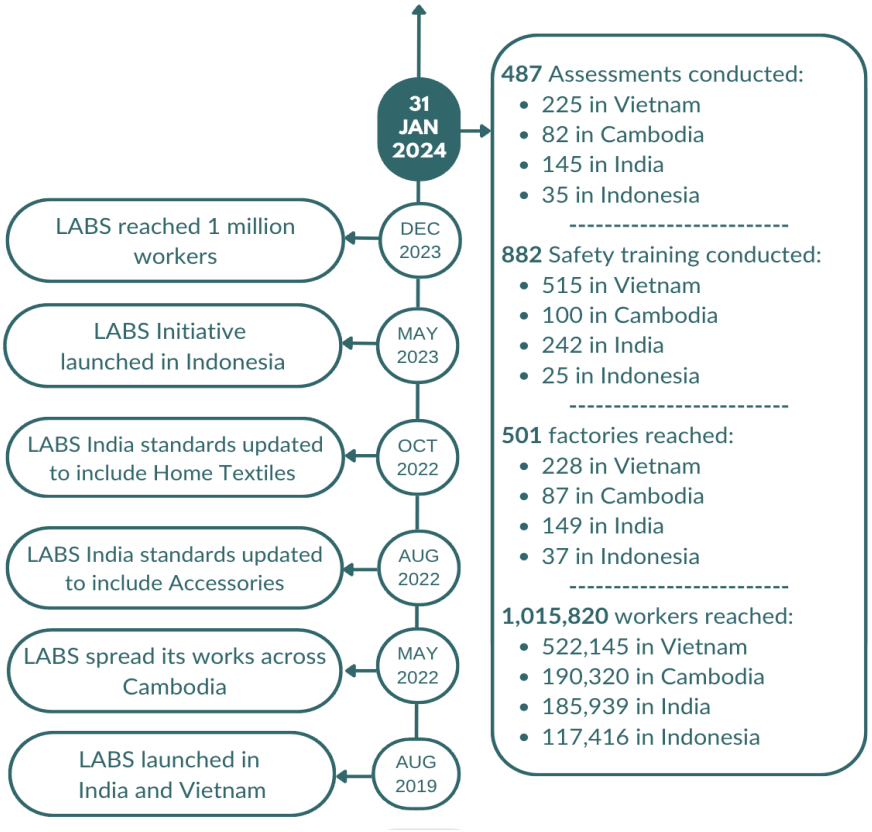
[14] National Technical Regulation on Fire safety of Buildings and Constructions, (2022). https://thuvienphapluat.vn/van-ban/Xay-dung-Do-thi/Thong-tu-06-2022-TT-BXD-Quy-chuan-QCVN-06-2022-BXD-An-toan-chay-cho-nha-va-cong-trinh-544059.aspx

[15] https://urbandatabase.khmerstudies.org/get-datas/588

[16] http://www.iibh.org/kijun/pdf/Indonesia_01_building%20law_220307.pdf

[17] https://www.nfpa.org/For-Professionals/Codes-and-Standards

Figure 3: Key milestone of LABS



Note: The figures reflect the overall data of the LABS program to date which also includes Indonesia. However, Indonesia was not a part of this study as the program was recently launched in May 2023.

1.2. Scope of Evaluation

Mekong Economics (MKE), in association with Tomorrow's Market Innovators Pvt. Ltd and Educational Development Institute, has been assigned to undertake an outcome evaluation of the LABS Program in India, Cambodia, and Vietnam. The specific objectives of this evaluation are as follows:

- to assess the LABS program's performance against the key research questions of Relevance, Coherence, Effectiveness, Efficiency, Impact, Sustainability and Lesson learned;
- to determine progress being made toward the achievement of planned targets;
- to identify strengths and pitfalls in project design and implementation, as well as any challenges that the project may be encountering, good practices, or how external factors favor or hinder project/program activities to issue recommendations for corrective action.

The report is organized into seven chapters, starting with an introduction and detailing the evaluation methodology in Chapter 2. Chapter 3, 4, 5 evaluates LABS outcomes in Vietnam, Cambodia, and India, respectively. Chapter 6 presents an overall program evaluation using the Organization for Economic Co-operation and Development (OECD) Assistance Committee (DAC) criteria, while Chapter 7 provides recommendations.

2. Evaluation Methodology

2.1. Method

The evaluation adopts a mixed-method approach to assess, both qualitatively and quantitatively, the LABS program's intended outcomes and the strategies it employs for achieving them across three countries: India, Vietnam, and Cambodia. To ensure a systematic and rigorous evaluation aligned with the Terms of Reference (TOR), LABS Theory of Change (ToC), and OECD DAC evaluation criteria, an evaluation matrix has been developed, providing structure and coherence to the evaluation process.

The qualitative method consisted of literature review, examining program documents and broader secondary research to understand the LABS program's context, activities, and intended outcomes across three countries. Key informant interviews (KIIs) explored experiences, perceptions of effectiveness, and challenges, while focus group discussions (FGDs) gathered insights on safety awareness and the perceived effectiveness. The quantitative method includes surveys which gather data on the program outcomes and impacts.

The evaluation tools were developed in consultation with the LABS team at IDH, finalized after a field pilot in Vietnam, and translated into local languages (Annex 4). Data collection occurred from October 19, 2023, to January 11, 2024, involving in-person factory visits and online KIIs with stakeholders.

2.2. Sample Size

The sampling strategy employed a combination of random and purposive methods to encompass a diverse range of contexts and experiences within a small sample size. A total sample of 30 factories (representing approximately 6% of the total onboarded factories), and 23 stakeholders across three countries for consultation was selected for the study. The factory manager survey was added during the implementation to provide additional insights for triangulation with other data (Table 1, 2). There was a fairly gender-balanced percentage between male and female factory participants in this evaluation.

Table 1: Number of factory respondents

Category	Method	Number (10 factories per country)*			
		India	Vietnam	Cambodia	Total
Workers	FGD	100	86	56	**242**
	Survey	100	86	103	**289**
Staff	FGD	54	46	48	**148**
	Survey	54	46	49	**149**
Manager	FGD	22	20	31	**73**
	Survey	22	14	45	**81**

Table 2: Number of stakeholder respondents

Stakeholder		India	Vietnam	Cambodia	Total
Outsourced Firms	Inspection	1	1	1	**3**
	Remediation	1	1	0	**2**
	Quality Assurance	0	1	1	**2**
	Safety Training	0	1	1	**2**
Government/ Associations		2	4	3	**9**
LABS Partner Brands*		**4****			
Total		**22**			

* LABS brand participants are a group of global apparel brands and retailers who collaboratively work to enhance workplace safety. They accelerate and monitor remediation by supporting and collaborating with sourcing factories. ** 100% of brand participants, including Gap Inc., Target Corp., VF Corp., and Walmart Inc.

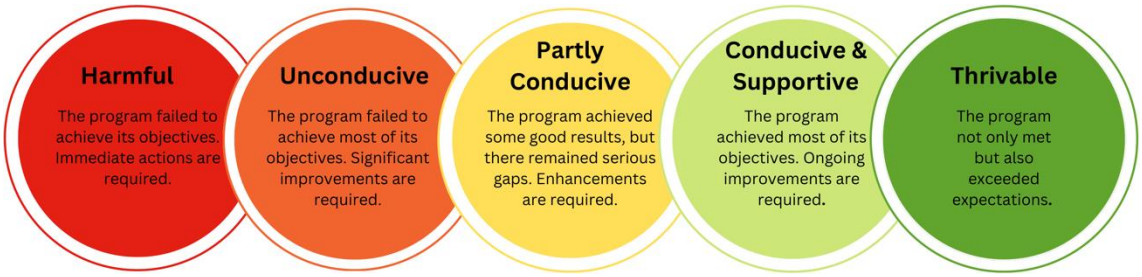
2.3. Data Analysis and Reporting

Before data analysis, a data cleaning process has been implemented, involving the segregation of the database among various stakeholders to ensure consistency. Logical conditioning is applied to uphold data integrity. The assessment of data validity, accuracy, completeness, and uniformity is conducted, ensuring data quality through the removal of duplicates and contradictions.

The data analysis employs both qualitative and quantitative approaches. Thematic analysis identifies key patterns, while sentiment analysis quantifies overall program feelings. Quantitative data undergo statistical analysis for trends and correlations. Mixed-method synthesis explores convergence and divergence, and comparative and intersectional analyses examine program effectiveness across countries and respondent backgrounds. Data triangulation cross-validates findings. Results inform evidence-based conclusions, extracting lessons for LABS and future interventions.

We utilize Laudes Rubrics Scale[18] to evaluate the program against OECD DAC criteria (Figure 4). Usually, each criterion is assigned one rating or color. Sometimes, when the reality is between two ratings, it's shown by two circles with relevant colors.

Figure 4: Laudes Rubrics Scale



2.4. Limitations

The evaluation encounters challenges with a limited sample size, potential response bias arising from either social desirability or other concerns, and the risk of meaning loss in translation. Also, the absence of control groups in the evaluation design constrains the ability to make causal claims about the impact of the LABS program.

[18] https://www.laudesfoundation.org/grants/rubrics

3. Findings from Vietnam

3.1. Outcomes

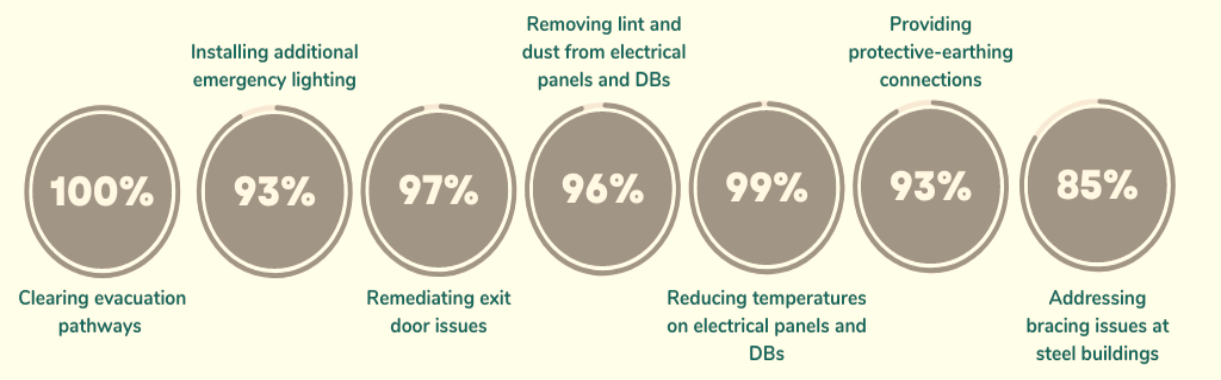
LABS was launched in Vietnam in August 2019. As of January 2024, LABS reached 522,145 workers in 228 factories with 99 of them having graduated. LABS conducted 225 assessments and provided 515 safety training sessions.[19] LABS works with brands GAP Inc., Target Corp., VF Corp., and Walmart Inc., and organizations such as Vietnam Textile Apparel Association (VITAS) and Vietnam Leather, Footwear, and Handbag Association (LEFASO) to spread its work across Vietnam. The program contracts outsourced firms including WSS, for training, and Phap Duyen Construction Design, for remediation measures.

3.1.1. Proven Business Case for Field-level Projects

Assessment and Remediation. LABS' report indicates a high remediation progress in Vietnam, reaching an 88% remediation rate as of the end of December 2023—a 41% increase since 2019.

The visited factories have been implementing safety protocols, evident in the adoption of advanced measures (Figure 5). For instance, thermal cameras are now utilized in periodic checks of electrical panels, surpassing the conventional focus on dust checks or the use of less sophisticated devices. Additionally, temperatures are meticulously documented on designated forms, replacing the previous practice of omitting notes. Notably, there is now a prompt response to any cracked walls, signifying a shift from the previous tendency to overlook such structural issues.

Figure 5: Remediation examples in Vietnam by January 2024



"The inspection regulations are clearer, and the examination of the entire factory is more detailed. Previously, I was aware of regulations and theory but did not practice much. Now, I meticulously check various aspects such as electrical systems, structure, and fire protection."

- KII with factory manager in Vietnam –

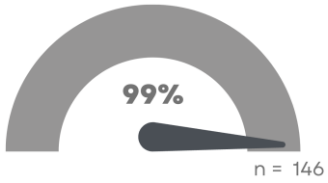
"When I first came to work, the emergency exits were difficult to open, but now (thanks to the remediation), they are easier, clearer, and more accessible."

- FGD with workers in Vietnam -

[19] LABS Quarterly Newsletter. January 2024. Issue 17.
Available at: https://labsinitiative.com/wp-content/uploads/2024/01/LABS-Newsletter-Jan-2024.pdf

The majority of surveyed factory respondents' express satisfaction with LABS' safety assessment and remediation with workers, younger employees (aged 26-35) and those with fewer years of factory experience (3-10 years) expressing higher "Very satisfied" responses (Figure 6). Various factors, including engagement in safety tasks, familiarity with safety requirements, and evolving expectations, may contribute to the response variations. Concurrently, the visited factories affirm their routine safety checks and address identified issues through their in-house technician teams.

Figure 6: Satisfaction level among factory respondents on LABS' assessment and remediation in Vietnam



Including 37% "Very satisfied", and 62% "Satisfied". Women showed higher satisfaction than males in the "Satisfied" category (66% vs 57%), while males lead in the "Very satisfied" category (43% vs. 31% for females). Workers exhibit the highest "Very satisfied" responses (43% vs. 22-30% for technical staff).

The qualitative feedback from managers and staff across various factories reinforces the survey findings, highlighting a high degree of satisfaction with the LABS safety program. Technical managers underscored the program's effectiveness in swiftly addressing safety issues, thanks to prior internal evaluations and learning from other factories' experiences. They praised the specific guidance and thoroughness of LABS in identifying and rectifying overlooked safety concerns, such as warehouse layout and equipment placement. General managers valued the detailed explanations provided by LABS, which helped in understanding and implementing necessary safety measures. The involvement of staff in the problem-solving process, along with prompt responses to critical safety issues, reflects a comprehensive and collaborative approach towards maintaining safety standards.

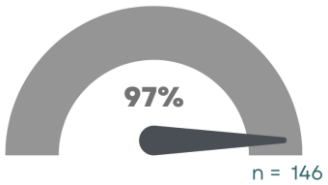
> "After remediation, workers feel safer, and it's worth [the extra costs] to remediate. Safety is related to life, so any identified issues prompt proactive fixes by the factory… The workplace is better when leaders prioritize safety."
>
> - FGD with workers in Vietnam -

Safety Training. LABS training incorporated LABS standards, technical expertise and updates from outsourced firms, and feedback from other partners, making it relevant to the local context.

> "LABS specializes in techniques to determine the level of danger associated with each item. Previously, the factory only addressed such issues in a conventional manner, but with LABS, the maintenance and technical staff now possess a more profound understanding of these safety issues."
>
> - KII with factory manager in Vietnam -

The survey results reveal a generally positive reception of the training across all job roles, with workers expressing the highest levels of satisfaction, particularly regarding the training content. 97% of respondents found the training "Useful" or "Very Useful". Respondents with fewer than 2 years of experience indicated a higher satisfaction rate of 71%, as opposed to over 50% for those with 3-10 years of experience at the factories (Figure 7).

Figure 7: Perceived usefulness of LABS training among survey respondents in Vietnam



Including 59% "Extremely Useful" and 38% "Useful". Women were more satisfied than men (63% vs 57% as "Extremely Useful"). Workers (65%) and technical staff (61%) were more satisfied than technical managers (33%).

This suggests that LABS training caters to the safety knowledge and practical skills needs of employees in their respective roles, rendering it valuable for females, workers, and those with fewer years of experience.

> "Having participated in training sessions, I find the training content of LABS to be highly practical, with high-quality teaching. Furthermore, the trainer provided numerous practical and concrete examples, affording trainees ample opportunities for hands-on practice."
>
> - KII with factory manager in Vietnam -

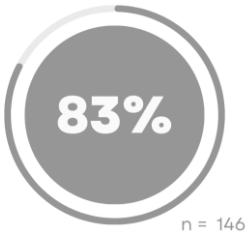
Approximately 85% of survey respondents acknowledge the enrichment of their knowledge through LABS training, with minimal gender-based distinctions. However, variations arise when examining job positions, revealing that a higher percentage of workers (49%) rated it as "Very much" compared to technicians (37%). The difference may be explained by factors such as job complexity. Before LABS training, workers may be less aware of safety issues and have less knowledge. This would result in a perceived greater increase in knowledge compared to more familiar technicians.

> "Workers now consistently prevent goods from encroaching on the layout space. In instances where such issues arise, they remind others to relocate the goods to the designated areas. Additionally, every 2-3 days, I conduct brief training sessions for those who missed the initial training, reinforcing the importance of maintaining an unobstructed workspace and exercising caution when working with heavy fabrics or in proximity to forklifts."
>
> - FGD with workers in Vietnam -

The **survey results indicate a direct relationship between the safety training and the state of safety conditions in a factory** (Figure 8). Again, caution is warranted when interpreting the attributes of LABS training in relation to the observed increase in knowledge and factory safety, considering the broader training landscape within the factories.

This encompasses the integration of LABS training into the factories' training and the consistent delivery of regular internal training by the factories themselves. Meanwhile, the survey sample is small, and some worker respondents remain quite hesitant to share their feedback.

Figure 8: Figure: Impact of LABS training on factory safety



83% believe LABS training contributes either "Very much" or "Much," to factory safety, with 14% stating "Some." Men and women are pretty equal (48% of females and 52% of males stating "Very much.") The "Very much" category stands out, particularly among workers (70%) and technical staff (37%).

Helpline. The establishment of a LABS helpline for workers to anonymously report safety concerns is a well-intentioned endeavor of LABS. Vietnam is the country that utilizes the helpline most frequently, accounting for 261 of the 331 total calls received from inception until the end of 2023. Nevertheless, this represents a relatively insignificant number of calls across the entire country. Also, in Q4 2023, four non-LABS cases were reported using the helpline, regarding unpleasant workplace interactions, overtime, unfair fines, and difficult management personnel.[20]

When enquired about the role of helpline in facilitating a safe working environment in the factories, 84% of the respondents stated it positively contributes "Very much" or "Much." This agreement highlights the helpline as a vital tool for ensuring a secure workplace. Females show a notably more positive perception of the helpline's impact on factory safety, with 55% believing it contributes "Very much" compared to 35% of males. Workers demonstrate a notably positive reception of the helpline, as 55% attribute a substantial

[20] LABS Quarterly Newsletter. January 2024. Issue 17.
Available at: https://labsinitiative.com/wp-content/uploads/2024/01/LABS-Newsletter-Jan-2024.pdf

degree of contribution to factory safety, categorizing it as "Very much." This underscores the clear recognition by frontline employees of the helpline's significant role in strengthening the factory safety.

> "Based on my understanding, the helpline has its advantages. If we were asked to maintain the helpline system, I would recommend doing so because it not only is cost-free but also allows workers to report issues anonymously, leading to a safer work environment."
>
> - KII with factory manager in Vietnam -

Factory personnel are well-informed about the helpline and its QR code, as the relevant details are prominently featured in public areas, such as work desks. However, among the 10 factories visited, none of the respondents used the helpline themselves. This is because there are different channels of reporting safety issues at the factories, of which the most popular channel is in-person reporting and factories' internal hotline and/or app. Approximately 48% of survey participants, however, reported that they would utilize the helpline if the factory's management failed to address reported safety concerns, while 32% said they would use the helpline in the context of prolonged delays, highlighting a preference for internal mechanisms and a substantial trust in the factory's resolution capabilities. Feedback from the factory FGD respondents highlights the helpline's role as an extra 'check-and-balance' mechanism, ensuring that factories promptly address identified issues. This implies that the helpline has the potential to influence other reporting channels within factories. The anonymity allows all parties to have a fair voice when expressing safety concerns. This underscores the continued support for the helpline within factories, even in the absence of its utilization thus far.

> "I believe that this channel maintains its own value by being publicly accessible to everyone, irrespective of whether they choose to utilize it or not. Its public nature ensures easy accessibility for anyone, demonstrating a commitment to addressing any safety-related concerns. If you are unable to locate alternative channels to reach us, rest assured that this one will always be available for your use."
>
> KII with factory manager in Vietnam -

3.1.2. Improved Sector Governance

Active engagement with the local ministry, specifically the IBST under the MoC, results in the continual continuous refinement and elevation of safety standards, enhancing supportive policies and standards in Vietnam. The integration of LABS standards into Vietnam's government guidelines on fire safety, coupled with dissemination on the official websites of LEFASO[21] since 29 July 2021, and VITAS[22] since 25 July 2021, contributes to the promotion of long-term ownership in safety initiatives. The collaboration between LABS and the MoC has yielded good progress in advancing safety policies within the industry in Vietnam (Box 1).

Photo: 7 Nov, 2023 –Clear and unobstructed escape route after remediation

[21] http://www.lefaso.org.vn/chi-tiet-tin-tuc/26800/tai-lieu-"huong-dan-ky-thuat-khao-sat-danh-gia-an-toan-chay-cua-cac-nha-cong-nghiep-det-may-va-da-giay-theo-cac-quy-dinh-cua-qcvn-06:2020-bxd"-%28moc.gov.vn%29

[22] http://www.vietnamtextile.org.vn/tai-lieu-huong-dan-ky-thuat-khao-sat-danh-gia-an-toan-chay-cua-cac-n_p1_1-1_2-1_3-811_4-5535_9-2_11-10_12-3_13-98.html

Box 1: Case study - Government collaboration and LABS standard adoption in Vietnam

The Ministry of Construction (MoC) released QCVN 06:2020/BXD in 2020 and subsequently revised it in 2021, 2022, and 2023.[23] Despite the regulation's comprehensiveness in safety requirements, supplementary guidelines were deemed necessary to facilitate its execution. Collaboratively, IDH/LABS and IBST/MoC achieved a noteworthy milestone by developing the "Technical guideline for inspection and assessment of the fire safety conditions of garment and footwear industrial houses according to QCVN 06:2020/BXD" [In Vietnamese: Hướng dẫn kỹ thuật khảo sát, đánh giá an toàn cháy của các nhà công nghiệp dệt may và da giày theo các quy định của QCVN 06:2020/BXD] during the 2019-2020 period. The fire safety assessment methodology of LABS has been incorporated into this guideline for apparel and footwear factories in Vietnam. The guideline was officially launched and posted on the official website of MoC on 14 January 2021.[24] This guideline has emerged as a pivotal tool in enforcing the national technical regulation, QCVN 06:2020/BXD. Additionally, representatives from MoC and IBST actively participated in several LABS training sessions to address queries regarding the adoption of LABS standards and their alignment with local regulations. A collaborative initiative between LABS and IBST has also been implemented to disseminate the fire safety standards to local agencies and facilities.

IBST highly values the contributions of LABS, recognizing three notable enhancements, comprising:

- improved safety conditions within LABS factories,
- heightened awareness among factory owners, and
- managers regarding safety compliance, and an increased understanding among workers of their responsibilities and rights in fostering a secure working environment.

Furthermore, this collaboration has facilitated knowledge transfer, with the local ministry leveraging insights gained from safety assessments conducted in other nations, leading to a more informed approach in ensuring safety in construction projects.

> "If LABS standards are adopted, it will be a driving force for businesses and production facilities to be more concerned about overall safety, including structural and electrical safety, and fire safety." - KII with IBST

> "LABS's activities contribute to solving a number of urgent issues of structural and fire safety at apparel and footwear factories in Vietnam and thereby improve safe working conditions for workers at factories." - MoC official letter dated 14 July 2021

In addition to the existing coverage of approximately 200 LABS factories **employing around 500,000 workers in Vietnam, the adoption of the technical guidelines has the potential for a broader industry impact.** This is particularly significant, considering the estimated 12,000 factories in the garment, textile, and footwear industry, which collectively employ around 3.6 million people.[25]

LABS had plans to collaborate with IBST to compile guidelines on structural and electrical safety assessments, particularly for factory constructions and construction works in general; however, the work has not commenced. Accomplishing this task will necessitate substantial effort and collaboration between IBST and LABS to effectively address these two crucial areas.

LABS has collaborated with Inspection, Quality Assurance and Safety Training Firms that are trained and added to the program to further strengthen LABS operations in the targeted countries. LABS offers unique expertise and a diverse team of professionals across countries. This addresses the common challenge faced

[23] https://moc.gov.vn/vn/tin-tuc/1176/78341/thong-tu-ban-hanh-sua-doi-1-2023-qcvn-06-2022bxd-quy-chuan-ky-thuat-quoc-gia-ve-an-toan-chay-cho-nha-va-cong-trinh.aspx

[24] https://moc.gov.vn/vn/tin-tuc/1269/65805/tai-lieu-huong-dan-ky-thuat-khao-sat--danh-gia-an-toan-chay-cua-cac-nha-cong-nghiep-det-may-va-da-giay-theo-cac-quy-dinh-cua-qcvn-06-2020bxd.aspx

[25] Hub, A. G. (u.d.). Vietnam. Asia Garment Hub. Retrieved 8/12/2023 from https://asiagarmenthub.net/agh-countries/vietnam; Intelligence, C. R. (2022). Research Report on the Footwear Industry in Vietnam, 2022-2031. https://www.researchandmarkets.com/reports/5639695/research-report-on-the-footwear-industry-in?utm_source=GNOM&utm_medium=PressRelease&utm_code=27fg7l&utm_campaign=1747360+-+Vietnam+Footwear+Manufacturing+Industry+Report+2022%3a+Development+Environment%2c+Supply+and+Demand%2c+Import+and+Export+2017-2022%2c+Market+Competition%2c+Major+Brands%2c+Outlook+2021-2031&utm_exec=chdo54prd; Statista. (2023). Employment in the footwear, luggage and handbags industry in Vietnam in 2016, by gender. Retrieved 8/12/2023, from https://www.statista.com/statistics/798135/footwear-luggage-and-handbags-industry-employment-by-gender-vietnam/

by brands and retailers who lack internal experts. LABS' business model provides a cost-effective solution, allowing partners to access specialized knowledge without maintaining those resources internally. The impact of LABS goes beyond conventional models, offering strategic insights and valuable support, particularly in ensuring workplace safety.

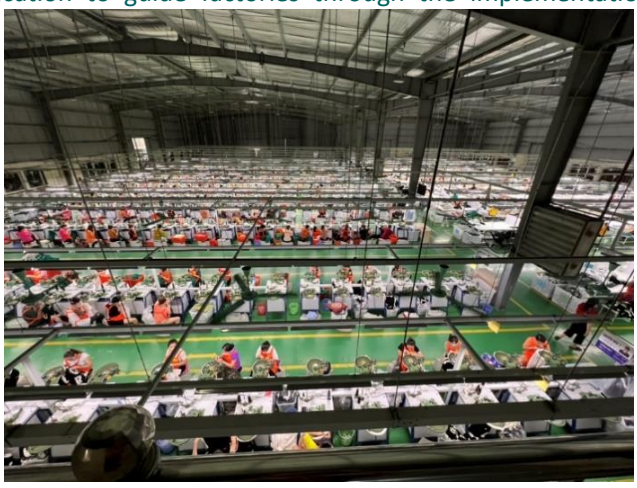
3.1.3. Improved Business Practices

The factory respondents in Vietnam highlight the incorporation of LABS standards into their internal training, ensuring that new employees are trained based on LABS requirements. Simultaneously, there is a transition shifting the focus from theoretical knowledge to practical application. Moreover, there is a promotion of a quick-response mindset for repairs, expediting safety processes and nurturing a proactive culture of efficient maintenance practices among personnel.

> "The inspection regulations are now clearer, and the examination of the entire factory is more detailed. Previously, I was aware of regulations and theory but did not practice much. Now, I check it more thoroughly, including electrical, structural, and fire protection aspects."
>
> - KII with factory manager in Vietnam -

LABS promotes transparency, holding factories accountable for their commitments to the public and government due diligence. According to an association representative, LABS delivers benefits to factories by prioritizing overall safety over meeting specific brand requirements. LABS has a standardized set of safety standards, serving as a valuable resource for factories as required. Furthermore, LABS establishes a precedent in the leather and footwear sector, allowing non-FDI Vietnamese companies to embrace and apply best practices. This fosters learning, awareness, and the sharing of safety measures within the industry.

The brand participants have organized introductory sessions to inform factories (and business partners) about LABS, emphasizing its benefits, expectations, and associated costs. They continue to demonstrate commitment by maintaining regular communication to guide factories through the implementation process. Furthermore, brands require suppliers to participate in the LABS program to ensure workplace safety. Despite recognizing the challenges that certain factories face, such as diminished orders, the need to lay off workers, or incurred remediation costs, and indicating adaptability in modifying participation timelines in LABS, brands uphold a resolute commitment to the significance of LABS enrollment. There is limited flexibility for excuses, firmly establishing it as an essential requisite for conducting business with these brands. In 2022, two of the brand participants, Gap Inc., and VF Corp., mandated the inclusion of the LABS program as a sourcing requirement.



7 Nov 2023 –Overview of factory floor in Vietnam

3.2. Challenges

Remediation. Vietnam's business landscape presents distinct advantages and challenges, providing a compelling business case for remediation. The progress in remediation in Vietnam surpasses that of other countries, thanks to the prevalence of foreign-owned enterprises, which are considered higher in quality and more investment-friendly for remediation compared to their local counterparts. Meanwhile, across LABS countries, including Vietnam, long-established factories encounter hurdles in obtaining additional approvals for LABS compliance. Resistance arises from the belief that existing local approvals are sufficient (e.g., the current sprinkler being far from compliance with existing standards), creating a dual challenge of navigating lengthy reapproval processes and overcoming resistance from factories accustomed to relying on initial local approvals. The challenges faced by certain factories in meeting established timelines for

remediation highlight the potential difficulties in achieving timely graduation. While conflicts between LABS and Vietnamese standards are infrequent, some factories argue against the necessity for remediation, claiming compliance with local standards and legislation. Meanwhile, factories carefully assess potential remediation expenses, balancing them against the potential losses in brand partnerships. The combination of high remediation costs and external economic factors, exacerbated by the Covid-19 pandemic's impact on order volumes, creates reluctance among factories to join LABS, even in the face of effective brand pressure.

Regular factory inspections, marked by diverse assessment findings due to varying safety standards and evaluators' perspectives, including within LABS assessment teams, may create confusion for factories. This complexity necessitates extra time and effort from involved parties to clarify technical matters.

> "Diverse interpretations of standards among individuals necessitate meetings to establish a common understanding. However, challenges arise when dealing with elements influenced by inspectors' opinions, making it necessary to convene meetings for clarification and consensus reevaluation."
>
> - KII with stakeholder in Vietnam -

Factories constructed over a decade ago may encounter challenges in addressing the safety issues identified by LABS, given outdated/ changing construction standards (e.g. Soviet/Russian standards, not required fire safety permits in the past), and associated complexities of adopting these standards (e.g. potential production disruptions if altering the factory roof height), a need to redraw plans if the original blueprints are unavailable, and even a necessity of a comprehensive rebuilding of the entire factory.

Training. Despite LABS mandating a minimum 40% female participation in training,[26] this quota is often fulfilled by including more female workers and general managers. While it is beneficial to involve more non-technical employees, this may restrict the participation of male technicians to some extent, given their dominance in technical roles and the limited number of participants in each training. Addressing this issue could involve factories replicating training internally, but it remains a challenge contingent on factory capacity.

Helpline. Brand representatives had varying opinions on the continuation of the LABS helpline. Some believed there was great untapped potential for the helpline, and it needed further publicity. They highlighted the success of helplines in similar programs to LABS, emphasizing their vital and popular role in reporting. Meanwhile, other brand representatives expressed a wish to discontinue the helpline, citing financial constraints and the availability of more direct reporting channels.

> "I think that many multinational factories have their own helplines. First of all, they have their own internal grievance redressal mechanism. If I'm a factory, I'm going to support my workers and train and upscale my workers to use my own internal helpline as opposed to using an external helpline. I also feel there has never been a call to action, like there was in Bangladesh. So, when I look at Bangladesh, the Amader Kotha helpline[27] is what it's called. It is used, there are 10,000 calls coming into that every single year, even more. And that's because everyone including not only the factory workers, but their neighbors and everyone in Bangladesh, if you ask them about the Amada Kader helpline, they know about it. And that's because there was a real call to action, whereas now with the LABS program, the helpline is focused only on safety related items. SoSo, they can't call the helpline if they're being abused verbally, they can't call the helpline if they don't understand their payroll."
>
> - KII with brand -

Policy Integration. The dynamic nature of legal frameworks may demand comprehensive reviews and consultations to maintain the ongoing relevance and currency of LABS standards. The pending compilation of essential documents and guidelines concerning structural safety, specifically emphasizing factory constructions and construction projects at large, will require significant collaborative efforts between the IBST and LABS to ensure the completion and implementation of these critical tasks.

[26] https://labsinitiative.com/wp-content/uploads/2023/09/LABS-Training-Scope-Basic-Advance-Safety-Training-Level-1-2-v1.6.pdf. Accessed on 30/11/2023.
[27] https://amaderkothahelpline.net/

4. Findings from Cambodia

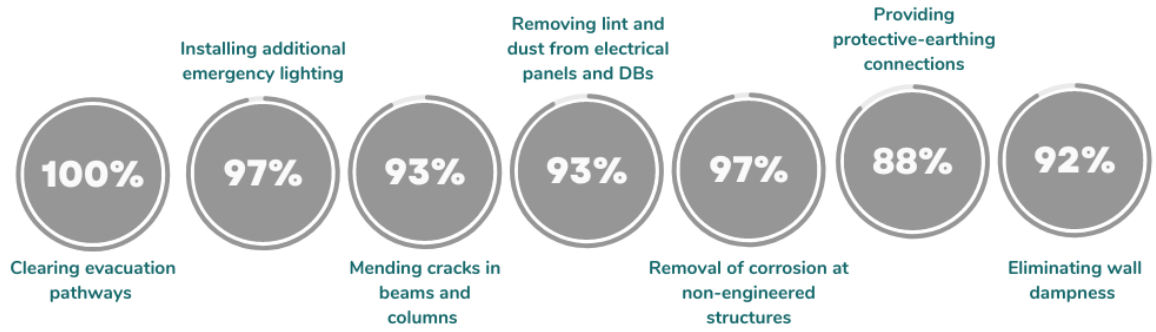
4.1. Outcomes

LABS was launched in Cambodia in May 2022. As of January 2024, LABS has included 87 factories in Cambodia, conducted 82 assessments, facilitated 100 safety training sessions, and engaged with a total of 190,320 workers.[28] Similar to the operations in Vietnam, LABS collaborates with GAP Inc., Target Corp., VF Corp., and Walmart Inc.. The program receives support from various stakeholders and governance entities in Cambodia namely Better Factories Cambodia (BFC), Ministry of Land Management, Urban Planning & Construction (MLMUPC) and Ministry of Labour & Vocational Training (MoLVT). LABS has outsourced Safe Inspect Co. Ltd.), for training, and Bureau Veritas Cambodia, for quality assurance assessments. Due to being relatively new to the country since its inception in 2022, all factories are still in the implementation stage and yet to graduate.

4.1.1. Proven Business Case for Field-level Projects

Assessment and Remediation. The remediation rate in Cambodia stands at 50% as of the end of December 2023. A majority of the identified safety issues in the factories have been resolved (Figure 9).

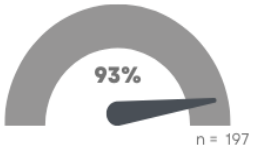
Figure 9: Remediation examples in Cambodia by January 2024



The majority of respondents in Cambodia expressed satisfaction with the safety assessment and remediation (Figure 10).

Similar to Vietnam, factories in Cambodia have praised LABS' comprehensive approach to safety monitoring. LABS' detailed evaluations cover multiple safety domains including fire safety, electricity, and construction, leading to improved safety practices through regular monitoring, advice, and support.

Figure 10: Satisfaction level on LABS' assessment and remediation in Cambodia



Including 28% "Very satisfied", and 65% "Satisfied". Men showed a slightly higher percentage of "Very satisfied" (32% vs. 25% for women). Participants over 45 years of age and those with more years of working experience exhibited higher satisfaction levels.

[28] LABS Quarterly Newsletter. January 2024. Issue 17.
Available at: https://labsinitiative.com/wp-content/uploads/2024/01/LABS-Newsletter-Jan-2024.pdf

LABS emphasizes meeting standards for electrical systems, safety doors, and other critical safety measures, and encourages factories to engage experts recommended by LABS. Staff receive hands-on support, including regular checks, recommendations, and safety training, contributing to a safer work environment.

> "In my opinion I see that the LABS program helped to eliminate the main causes of safety [hazards] at the participating factories. For example, LABS generated the Fire Preventive System (Sprinkler), automatic sprinkler system, and fire hose drill. Moreover, LABS has created a free line phone call for reporting safety concerns."
>
> - KII with stakeholder in Cambodia -

> "We can declare that the safety assessments and remediations within this factory improved after joining with LABS, and the factory conducted assessments of structure, fire, and electricity issues more often and regularly because of the LABS program push."
>
> - FGD with factory staff in Cambodia -

Safety Training. The factory respondents find the LABS training practical and easy to follow. The LABS training materials are recognized for their comprehensiveness, offering detailed guidance on the implementation and monitoring of safety measures, particularly in terms of structural safety. 100% of survey respondents classified the training as either "Extremely useful" or "Useful". 100% of the staff above 45 years of age reported the training to be "Extremely useful" as well as 79% of those with more than 10 years of experience. This highlights how the LABS training is highly useful and relatable for differing positions and levels of knowledge.

Participating factories exhibit improved proficiency in handling safety issues, crediting LABS training for a significant boost. A notable 79% of survey respondents affirm that LABS has substantially increased their awareness and knowledge of safety—classified as "Much" or "Very much." Men, at 64%, express slightly higher confidence in the "Much" category compared to women (56%). Particularly, the over-45 age group stands out, with 75% indicating "Very much" increase. In the absence of LABS, factories would rely solely on internal safety protocols and inspections, likely resulting in lower effectiveness.

> "By attending the training and implementation of the LABS program, I gained an in-depth understanding of safety practices, such as the use of materials and equipment, self-defense techniques, and observations of what is standardized or non-standardized."
>
> - FGD with factory staff in Cambodia -

The survey results indicate a strong positive perception of the contribution of safety training to factory safety. A combined 95% of respondents believe it contributes "Very much" or "Much," with the remaining 5% stating "Some". There were slight gender variations with men having a higher percentage of 'Much' and women higher in 'Very much'. Across job types, technical staff and managers had lower percentages of 'Very much' (25% and 25%) and notably the over 45 years group again had the highest confidence with 100% of respondents choosing 'Much' or 'Very much'.

Helpline. In Cambodia, similarly to the entire LABS program, the helpline is an uncommon method of reporting. Also one non-LABS case was reported of a factory worker regarding his resignation.[29] Survey results found the most common and most-satisfying channel of reporting issues in Cambodian factories is 'in-person' or via the message chat groups.

> "Reporting directly to supervisors is very fast in real-time. For example, when we report a problem with ironing machinery to the supervisor, and the supervisor calls technicians immediately to come, then it is fixed quickly."
>
> - FGD with workers in Cambodia -

Despite a lack of helpline use, all survey respondents reported the LABS helpline having a positive contribution to the factory safety, with the majority expressing either "Much" (59%) or "Very much" (19%).

[29] LABS Quarterly Newsletter. January 2024. Issue 17.
Available at: https://labsinitiative.com/wp-content/uploads/2024/01/LABS-Newsletter-Jan-2024.pdf

The LABS helpline, as seen across other countries, is seen as a last resort for reporting safety issues with the majority of respondents (54%) agreeing that they would only use the helpline after the internal management has failed to solve the reported issue.

> "[The Helpline] is not used yet but we will use it when there are any issues like late to remediate the issues, or the technician did not respond to the problem on time, we can use the phone number or scan the QR code to call."
>
> - FGD with workers in Cambodia -

4.1.2. Improved Sector Governance

LABS enhances sector governance in Cambodia by addressing the absence of building codes. Following a multi-stakeholder workshop in January 2022, LABS finalized standards and launched the program on May 18, 2022. With NSC support, LABS provided the translated version of the LABS Methodology and Standards to the relevant ministry, potentially influencing the incorporation into the developing National Building Code. Furthermore, LABS standards have been incorporated into the 2nd Master Plan on OSH, and the 3rd Master Plan is currently being written which again will have large inclusion of these standards. The involvement of LABS is well timed as their strong standards and high technical knowledge makes them well positioned to improve the quality of the next OSH master plan. Meanwhile, the effort is challenged by the lack of inter-ministerial and inter-industry collaboration in Cambodia.

Similar to the collaboration with Better Work Vietnam (BWV), LABS organized a knowledge-sharing session involving representatives from Better Factories Cambodia (BFC). This session delved into LABS' progress, challenges, and key learnings, aiming to capitalize on shared insights and cultivate a more cohesive and effective approach within the sector.

The launch of the Platform for Gender Equality in Apparel & Footwear in Cambodia (PGEAFC) in Cambodia is a good achievement in the journey towards gender equality (Box 2).

Box 2: Case study - Gender platform and workshops in Cambodia

There have been a number of state and civil society initiatives and international brands' internal programs to promote gender equality and women empowerment, such as through providing women more and easier access to education. The Platform for Gender Equality in Apparel & Footwear in Cambodia (PGEAFC) is an annual platform that is attempting to bring the public and private sectors together to learn and collaborate from various different initiatives for wider long-lasting impacts.

The Platform, first launched in November 2022, brought together key state and private actors and INGOs. Meetings have allowed LABS to share their ideas and potentially onboard current non-LABS brands. Although the Platform is new, the potential for its impacts is large, evident in the number of high-profile stakeholders that attended.[30]

A number of key issues were discussed, which went above LABS's core mission of improving fire, electrical and structure safety. The topics ranged from economic equity and pay, increased representation of women within managerial positions, the distribution of domestic work to the need for a shift in the current heteropatriarchal socio-cultural norms that favor men. Additionally, discussions of systematic approaches involved discussions and acknowledgment of bottom-up processes that place women and women workers at the center.

The first recommendation paper built from these meetings has been shared around the country regarding topics such as preventing sexual harassment and female empowerment within the manufacturing sector.

The Recommendation Paper currently being developed will touch upon two additional topics: the Importance of Women in Leadership Roles for Safety and Breaking the Social Norms for Gender Equality.

[30] Source: https://labsinitiative.com/platform-for-gender-equality-in-apparel-and-footwear-in-cambodia/

4.1.3. Improved Business Practices

At the factory level, LABS activities have led to some concrete changes within internal safety systems, facilitating and ensuring safer work environments for factories, even after the factories graduate. For example, factories have updated their assessment procedures to ensure they are more comprehensive, hence reducing risks and hazards.

> "We will continue to provide a comprehensive safety assessment process that identifies potential hazards in all areas of the factory. This assessment process will help you to identify and address potential safety hazards in our own work area."
>
> - KII with factory manager in Cambodia -

Furthermore, as the technical capabilities of the staff enhance through their collaboration with LABS, factories will be more adeptly equipped and resourced. This, in turn, facilitates a smoother transition in business practices towards cultivating a culture where safety takes precedence as the top priority.

> "After LABS the internal resource persons are capable and will use their knowledge and skills to improve the safety issues within the factory, and all LABS program guidelines are continuously adopted, and correctional practice more often."
>
> - KII with factory manager in Cambodia -

NSC meetings included representatives from the Dept. of Construction (DOC), Ministry of Land Management, Urban Planning & Construction (MLMUPC), Dept. of Occupational Safety & Health (DOSH), Ministry of Labour & Vocational Training (MoLVT), Institute of Standards of Cambodia (ISC), Ministry of Industry, Science, Technology & Innovation (MISTI), ILO's Better Factories Cambodia (BFC), Cambodian Garment Training Institute (CGTI), Cambodia Footwear Association (CFA), and Textiles, Apparel, Footwear and Travel Goods Association in Cambodia (TAFTAC). These meetings are the key mechanism to consult on the LABS Standards and Methodology and to build the Cambodia National Building Code. In a multi-stakeholder consulting workshop in Jan 2022, BFC mentioned that, while it works with the government and brands to improve working conditions, assessments don't cover engineering or structure-related safety issues, which is where LABS' expertise will add real value.[31]

4.2. Challenges

Assessments. Outsourced assessment firms expressed concerns about the short duration of LABS assessments, typically lasting only one day. This means there were instances where the time allowed for assessments was not enough to ensure a detailed understanding of the issues and their root causes. For smaller factories, one day was sufficient but more time was needed with larger factories.

Remediation. Due to the lack of common building standards, LABS has a much higher standard of safety measures than national standards. This can cause push-back from factories, arguing that they should only have to follow local laws. They express concerns about high costs, especially when remediation involves business interruptions for structural changes. When aligning with brands, factories face the decision of accepting elevated costs and stricter safety standards or risk being excluded by the brands, with each choice carrying financial implications. These choices are further complicated by

Photo: 7 Nov, 2023 – A fire extinguisher is mounted on a column in a garment factory with a clear sign to enhance visibility and accessibility in case of a fire emergency.

[31] LABS Annual Report 2022

the length of contract and amount of business that these factories have with participating brands.

> "The reality, though, is that it's very costly. So,the factories find it difficult to do this program. And even though they would like to, and I think that comes with the structure of the industry here. Overall, with FDI and rented buildings, depending on the buyer, they may just have a short-term contract with the buyer or the vendor, or it could be more long-term. [Long-term brands] can put more pressure on the factory to improve, whereas [short-term brands] have factories that might not have much return on investment after paying all the workers, etc."
>
> -KII with stakeholder in Cambodia -

Lack of National Guidelines. The LABS program has made contributions to increasing coherence in Cambodia, but there is still a lack of common building standards which proves a significant challenge. The limited role the government plays in safety and lack of inter-ministry communication has created an environment where changes are slow.

5. Findings from India

5.1. Outcomes

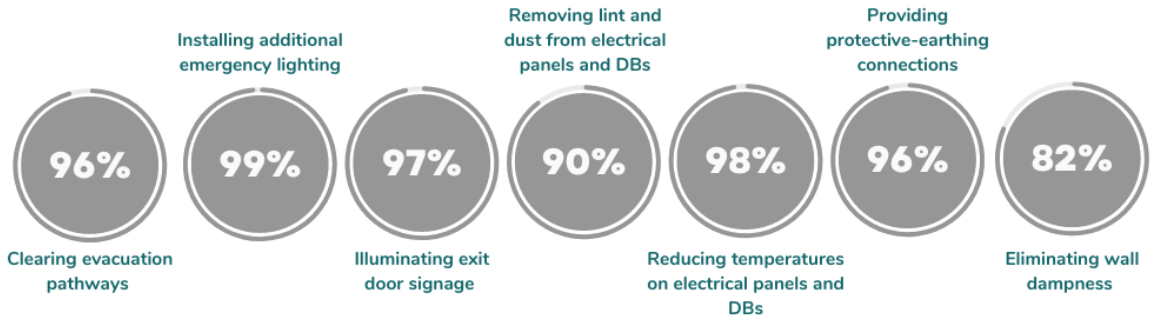
LABS was launched in India in August 2019. Since inception, 23 factories have graduated in India The LABS program has been subsequently expanded to other apparel sub-sectors. Its standards were updated to include accessories factories in August 2022. By April 2023, LABS covered the home textile industry. By January 2024, LABS had reached 185,939 workers, onboarded 149 factories, conducted 145 safety assessments and 242 trainings.[32]. The program implementation in India is supported by firms such as QIMA and Bureau Veritas, IIRIS Consulting and Confederation of Indian Industry Along with partnered brands GAP Inc., Target Corp.,, Walmart Inc., and VF Corp., LABS is also working with governing bodies namely the Ministry of Textiles and the National Safety Council of India, Ministry of Labour, and Employment.

5.1.1. Proven business case for field-level projects

Assessment and Remediation. LABS' report reveals a 75% remediation rate, and 23 graduate factories in India as of the end of December 2023.[33]

A commonly mentioned remediation is the inclusion of thermography scan device to detect the temperature of connections in electrical panels. Under LABS intervention, this has become a necessity. The service providers talked at length about the thermography work they had done, and how factory managers understood the importance of safety at the facility. A visited factory built a fire rated wall surrounding the boiler, which not only increases the boiler's efficiency by not letting heat dissipate, but the main reason is protecting workers in that area. Single-Line Diagrams (SLDs) have been placed on top of all Electrical Control Panels in all factories surveyed. They simplify things for the safety and information clarity of anyone working on it (Figure 11).

Figure 11: Remediation examples in India 2023



Overall, 100% of all survey respondents were "Very Satisfied" or "Satisfied" with the safety assessment and remediation suggested by LABS. Managers and technical staff from various factories have expressed their satisfaction with LABS' safety assessment and remediation processes. Their feedback aligns with the high satisfaction rates reported in the survey. Many noted that LABS provided a more comprehensive analysis than internal or other external assessments. LABS' detail-oriented approach allowed them to play an important role during the remediation process, actively suggesting step-by-step procedures to address safety issues. Several managers also remarked on LABS' effectiveness as a benchmark for safety assessments, helping fill gaps in their own policies and contributing significantly to improvements within

[32] LABS Quarterly Newsletter. January 2024. Issue 17.
Available at: https://labsinitiative.com/wp-content/uploads/2024/01/LABS-Newsletter-Jan-2024.pdf
[33] ibid.

their factories. LABS' involvement extended beyond mere assessment to include regular follow-ups, and hands-on assistance to ensure timely resolution of issues.

> "Now, management [are working more closely than] before on safety norms, [based on] the guidelines from LABS. They have also developed a fool-proof system [to ensure safety]."
>
> - KII with factory manager in India -

In India, disparities in remediation rates stem from regional differences, and within corporate groups, where southern facilities often outperform their northern counterparts. Additionally, legal status influences receptiveness, with publicly listed companies showing greater responsiveness compared to standalone factories owned by individuals, possibly due to higher capital levels and increased accountability to shareholders.

Safety Training. Factory respondents held positive perceptions of LABS training, with 100% finding it "Extremely Useful" or "Useful", though usefulness varied across job roles (Figure 12). Compared to previous basic and formal training, LABS sessions were reported to be more practical and easily adopted.

Photo: 7 Nov, 2023 – Shop floor of a factory. The escape path is now well-ventilated. Designated spots are available for boxes of material.

53% reported a 'Very much' increase in knowledge, while 17% reported a 'Much' increase. Moreover, 51% of the surveyed respondents perceived the training to significantly contribute to increased safety, with an additional 45% considering this contribution to be very significant. Workers seemed to be the least likely, at 30%, to find the LABS training content to be significantly increasing their knowledge about safety issues. This is in contrast to the percentage of technical staff (83%), technical managers (70%), general managers (100%) finding the training to significantly increase their safety knowledge. Caution is advised when interpreting LABS' contribution, given the regular delivery of internal training within factories.

Figure 12: Perceived usefulness of LABS training among survey respondents in India

Including 62% "Extremely Useful" and 38% "Useful". Technical staff were more satisfied with 81% at "Extremely Useful", while workers were at 50%. Men were also more satisfied than women (72% vs 45%.)

Helpline. The consideration of local contexts is reflected in the availability of the helpline in four languages, aligning with India's multilingual diversity. There is a plan to extend to four or five languages in the near future. The recent introduction of 'LABS chat,' a messaging service serving as an alternative to the helpline, aims to enhance usability and accessibility. This alternative reporting method proves beneficial in situations where workers face constraints in making or receiving calls on the factory floor.

> "LABS helpline has given multiple windows to communicate in case of emergency if management does not listen to the issues and privacy is maintained."
>
> - FGD with workers in India -

The LABS helpline sees infrequent use, with survey respondents indicating that in-person reporting is the most prevalent (80%), followed by the internal factory helpline (50%). The LABS helpline is considered a last-resort reporting method after other channels prove unsuccessful, with 92% acknowledging its

contribution to factory safety. Most individuals (76%) turn to the LABS helpline only if the factory's management fails to resolve safety issues reported. This doesn't diminish the significance of the LABS helpline, as it's viewed as one of the most satisfying channels, alongside in-person reporting. Respondents in FGDs highlighted the value of the helpline's anonymous service. A minor discrepancy in the perceived usefulness of the helpline was observed between male and female participants.

There is a difference in the perception of the usefulness of the helpline. 75% of the technical staff and two-thirds of the workers found it very useful, compared to only 40% of the technical managers. Although the helpline has not been widely used and utilized, with the two most common reporting channels for the surveyed participants being through internal factory channels, similar to other countries, the helpline was perceived by 76% of the respondents as an accountability tool to ensure risks and hazards are addressed quickly.

8 Nov, 2023 –Safety Instruction at a factory in India

5.1.2. Improved Sector Governance

LABS has actively engaged with key private, public, and civil society actors. Similar to other countries, LABS actively shares data, lessons learned, and good practices to representatives from industry associations, government agencies and INGOs... The National Stakeholder Committees established in each country has supported LABS by guiding the program's development, identifying & addressing challenges and providing a roadmap for working with local government partners to enable adaptation of harmonized standards and its enforcement in Local and National Government framework

India already had a building standard but its implementation remains a challenge. The Platform for Safety in Apparel and Footwear Industry (PSAFI), launched on April 28, 2023, serves as a collaborative platform aimed at promoting safety and sustainable development within the industry (Box 3).

Box 3: Case study - PSAFI engagement in India

Creating multilateral engagements which includes ministries, associations, brands, factories, CSOs, industry experts and think tanks, the PSAFI represents LABS's increased effort to facilitate broad-based change in the sector. The presence of these key actors is positive given the unique characteristics of the industry in India, where production can be characterized as fragmented and consists of many micro, small and medium enterprises (MSMEs).

LABS is more than just a platform for sharing good practices. It involves decision-makers and key players in the industry. The focused discussion was on safety changes at the broader industry and national levels, with gender discussed with respect to safety. For example, the multitude of stakeholders present, and their different perspectives and concerns regarding workers safety, helped lay the foundation for deeper understanding of the different barriers and challenges facing enhancing safety levels. This, in turn, allowed for deeper recognition and collaboration to ensure more effective implementation and targeted actions to enhance safety.

The recognition of multi-stakeholder collaboration by participants on the need to cater to MSMEs is a positive sign, and, if concrete actions can be realized, has the potential to ensure worker safety at factories where the most risks are present.

Overall, the launch of PSAFI and the subsequent roundtable discussions mark a significant turning point in the effort to improve worker safety within India's apparel and footwear industry. By facilitating dialogue, fostering collaboration, and promoting concrete action, PSAFI has taken the first steps towards creating a safer and more sustainable future for workers in this vital sector. As PSAFI continues its work, the platform's impact on

worker safety will undoubtedly become more pronounced, leading to a future where hazardous working conditions are significantly reduced.

The PSAFI can be seen as a significant step towards recognizing LABS as a neutral convener for safety in the apparel and footwear industry, fostering new collaborations, alliances and initiatives, that aims to enhance sector governance at the top, while acknowledging the vital role workers play from below. Additionally, LABS continues to find opportunities to influence government industries. It was **perceived by both the LABS team and key state actors that 2023 has been a key year where LABS was able to demonstrate substantial achievements from the program.** The impacts achieved and lessons learned from the LABS program have been used as a basis to demonstrate good practices that can potentially be incorporated into national industry-specific guidelines and standards. Key state actors viewed 2024 to be potentially significant, where there is increased potential that LABS's guidelines and standards could be incorporated into new regulations.

> "I think there will be a substantial sort of outcome by the end of this fiscal year. And I think if we plug in with our sort of wish-list and our program in the sense of do's and don'ts, it would certainly be codified to some extent for the industry to take note of. And then of course we have to show by demonstration how it is working and how it will better the whole environment."
>
> - KII with stakeholder in India -

However, increased efforts need to be taken to increase LABS's presence, and increase stakeholders', especially brands' and industry's, engagement outside of the NSC. It has been suggested that, for India, the NSC and the inclusion of some key stakeholders have been positive, but insufficient to affect national policies.

> "I personally feel that there are a lot of specialists who are […] very experienced, but they are not movers and shakers today except for the National Building Code. So I would actually be pushing […] for more presence. Even if it is temporary, I would be looking for more presence from the industry formations. The industry could nominate a prominent sort of factory owners and brand owners or the industry could [act] as a council. I think [safety standards] become relevant only when there is a presence of industry people. Although the people who are currently on the Stakeholder Committee are committed, they are experienced in their field, I think their reach may only be more effective if the industry finds the time to come and be a part."
>
> - KII with stakeholder in India -

5.1.3. Improved Business Practices

Similar to the other two countries, the LABS program has contributed to a shift in mindset in business practices, from the need for compliance to safety standards, to that of active prevention of safety risks and hazards. This is evident through the commitment of factory owners to voluntarily uphold LABS standards and the Indian building code when constructing new factories, even if they do not fall under the LABS program. Cost considerations, although still prominent in business calculations, have given way to safety becoming the main priority. The majority of visited factories reported desires to continue LABS activities after graduation.

5.2. Challenges

***National Political and Sectoral characteristics*.** Compared to Vietnam, progress in India has been significant but slower due to a number of sectoral and national factors. Unlike other major textile-producing countries, India's textile manufacturing industry consists mainly of small and medium non-integrated enterprises. The LABS program takes substantial investment, in terms of time and money, which is harder for this size of enterprise to commit to. Additionally, textile enterprises across India have vastly different production

techniques and contexts.[34] These differences present particular challenges in the scaling of the LABS program, whose approach relies on international brands to pressure factories into compliance. Hence, despite clear intentions of parts of the industry/ government for more speedy interventions in ensuring safety, it has been difficult to rally the entire industry behind initiatives that raise compliance rates.

Remediation. While equipment availability was initially challenging, it has improved over time with reduced costs. Despite the presence of remediation firms, there's a bit of hesitancy in getting them involved.

The remediation progress faces a slowdown due to significant barriers in terms of costs.

> "Remediation was very difficult [at times] as it involved management executives for costing…[we] faced challenges because LABS were asking to hire a third party [which involved] very heavy cost… we had a series of discussions [with] the brand."
>
> - KII with factory manager in India -

Since costs remain one of the main issues hindering more active/ willing participation from factories, there may be future conflicts between willingness from the factories' workforce to maintain measures and financial considerations from factory owners. The voluntary continuation of LABS's activities post-graduation without LABS's involvement is also thrown into doubt by outsourced firms, as it was lack of 'pressure' that had led to factories frequently not meeting safety standards.

> "…there should be some regular visits or regular audits, even after some particular interval, say one year or two years, whatever is this. Otherwise, the factories may not sustain those things… as long as they don't have that pressure that you have to perform every day, every time. So it's very important to have that".
>
> - KII with stakeholder in India -

[34] Amutha, D. (2021). Problems and Prospects of Indian Textile Industry. Available at SSRN 3960734.; Kar, M. (2012). National and Global Aspects of India's Textiles and Apparel Industry and Trade: An Overview. South Asian Journal of Macroeconomics and Public Finance, 1(1), 81-133. https://doi.org/10.1177/227797871200100106

6. Overall Evaluation

6.1. Relevance

R1. The LABS program is strategically designed to address safety issues in apparel and footwear factories, aligning with the specific needs and contexts of participating factories and brands.

The apparel, footwear and textile industry faces significant safety challenges, such as fire incidents, across LABS countries, with ongoing issues like insufficient safety measures, the absence and/or limited implementation of national building codes, and industrial accidents affecting the workforce (refer to subsection 1.1.1 Problem Analysis). LABS serves as a driver for improving safety in apparel and footwear factories, bridging industry gaps.

Ensuring the safety of workers continues to be a top priority and a fundamental aspect of the philosophy embraced by the brands involved in LABS, with their main incentive for participating rooted in a safer working environment for workers. The LABS program, created collaboratively with influence from key brands, is strategically tailored to meet the specific needs and contexts of these brands. For instance, prior to LABS, brands maintained their own safety measures, which were described, by evaluation respondents, as less thorough than the current system under LABS. The brands prefer building partnerships to carry out these assessments, rather than focusing on their initiatives as it is more sustainable for the overall apparel, footwear and textile industry. Specifically, GAP Inc., reported replacing their safety assessment with the LABS program for their factories, while they replaced their social, labor and environmental assessment with Better Work in Vietnam. VF Corp. also uses only the LABS program as their safety assessment in India and other LABS operational countries, while they carry out a third-party assessment by QIMA in other countries. Brands expressed their desire for LABS to become a global program, and therefore create greater coherence in the industry. They emphasize the role of LABS in addressing the issues of worker safety. They also encourage their peers to join LABS. Factories are forced to join LABS as a compulsory prerequisite for continued supply for the participating brands, which makes LABS relevance to brands an important factor.

R2. The LABS program aligns with law, integrating global insights for international standards recognition, and proactively collaborates to address any perceived stringency concerns.

While LABS doesn't introduce new standards in Vietnam and India, its strict enforcement of the existing ones may make them seem more stringent. For example in India, during factory construction many safety measures were omitted by the factory, which was not enforced by the government due to the lack of enforcement measures. This partly explains the factories' concerns about the additional remediation measures [and the associated expenses] in the assessment and remediation process, saying they are already in conformity with local standards. LABS is actively collaborating with the local ministry and national partners to reassess and address the concerns about the perceived stringency of standards imposed by LABS compared to those specified in Vietnamese and Indian law.

In Cambodia, LABS works with the current lack of common standards and advocates for creating relevant national legislation.

"The relevance of LABS in Cambodia is that because there is no occupational safety and health law or building code yet, of course, buyers and brands and other stakeholders that are interested in in this topic and are caring for the reputational risk of Cambodia and apparel industry, or as a whole, Cambodia as a whole, in investment perspective wise, this type of initiative is welcome, because there is no other way of kind of checking or monitoring this in some of the factories."
"The safety standards of the LABS program are aligned with the current Cambodian Government priorities on safety and health at the workplace."

- KII with stakeholder in Cambodia -

6.2. Coherence

C1. LABS synchronizes with IDH's Corporate Theory of Change by strategically aligning activities to foster a safer working environment in the industry through country-specific solutions and a harmonized framework.

LABS aligns with IDH's revised corporate Theory of Change (Annex 3), centering on driving system change in three interlinked result areas: sector governance, business practices, and field-level innovations, emphasizing gender equality across the impact areas of better jobs, better income, and better environment. LABS activities are strategically designed to align with the goal of fostering a safer working environment for factory workers in the apparel, footwear, accessories and home textile industry, demonstrating a strong synergy with the LABS Theory of Change (ToC) (Annex 4). LABS has country-specific interventions, and delivers a harmonized framework for monitoring, assessment, risk reduction, and remediation. Brands perceive that LABS actively incorporated their feedback in program design, adapting to better align with their needs and contexts since its inception.

C2. LABS demonstrates synergies with other IDH programs, advancing the better jobs impact area.

LABS aligns with other IDH programs, exemplifying the incorporation of IDH's emphasis on systems change throughout all projects. Better jobs encompass living wages, worker representation, safe workplaces (including a focus on women's safety), and equal opportunities. This alignment is evident in LABS' concerted efforts to enhance working conditions for targeted industry workers, reinforcing the broader impact area of better jobs. LABS, alongside other initiatives in IDH's portfolio like Grains for Growth and the Women's Safety Accelerator Fund (WSAF), plays a crucial role in advancing the better jobs impact area, as highlighted in the IDH Annual Report 2022.

C3. LABS aligns with international practices and the Sustainable Development Goals by promoting safe working environments and fostering collaborative efforts.

As mentioned in Chapter 1, the LABS standard and methodology derive from global best practices and codes, requiring factories to not only comply with relevant national laws but also adhere to a standardized country-level framework covering structural, fire, and electrical safety.

LABS demonstrates its synergies with the Sustainable Development Goals (SDGs), particularly with SDG 8 "Decent Work and Economic Growth", and SDG 17 "Partnership for the Goals". Specifically, regarding SDG

8, LABS establishes a harmonized and replicable framework on life and building safety, fostering safer working environments in the apparel, footwear, accessories and home textile industry. Through multi-stakeholder convening and brokering, LABS expedites the scaling of best practices and exerts influence on policies to enhance working conditions. Concerning SDG 17, LABS operates in factories in India, Vietnam, Cambodia, and Indonesia, and has active engagement from brands, underscoring collaborative efforts in pursuit of the shared goal.

C4. LABS usefully engages stakeholders in the apparel, footwear & textile sector by emphasizing technical aspects, avoiding contradictions, and providing valuable expertise.

LABS not only avoids contradictions with other initiatives but also contributes additional value through its technical expertise and supported remediations. LABS standards are clear, detailed, and designed to be inclusive, enabling individuals from diverse backgrounds to engage with, and comprehend the standards.

LABS fills a gap in the sector across the three countries. Other programs, such as Better Work, Better Factories and the ILO, focus more on workers' rights, decent employment and social protection.

> "Currently, we have general programs that cover labor and social safety aspects across different industries, but specific focus areas like building and construction safety are lacking in non-garment sectors. LABS fills a unique niche in the garment industry."
> - KII with stakeholder in Vietnam-

The ILO plays a vital role in promoting decent work and elevating labor standards. LABS, concentrating on factory safety, complements this effort, addressing a pivotal industry gap and aligning with the ILO's broader social objectives to enhance workers' lives.

6.3. Effectiveness

Ee1. LABS is proactive, and effectively collaborates with other stakeholders to achieve progress across Vietnam, Cambodia and India.

As presented in country chapters, LABS achieved good progress. By 8 December 2023, LABS reached 1 million workers globally.[35]

LABS actively fosters joint industry commitment to safety by engaging key stakeholders in India, Vietnam, Cambodia, and Indonesia. This commitment is strengthened through the establishment of four National Stakeholders Committees (NSCs), incorporating representatives from industry associations, government agencies, and international institutions like Better Work and Better Factories. LABS reinforces this dedication by facilitating knowledge-sharing platforms and organizing collaborative events (Figure 13). These gatherings provide avenues for diverse stakeholders to contribute to the LABS program, offering sector updates and boosting overall program visibility to ensure effective and efficient implementation. This approach enhances local capacity and encourages data-driven insights on life and building safety.

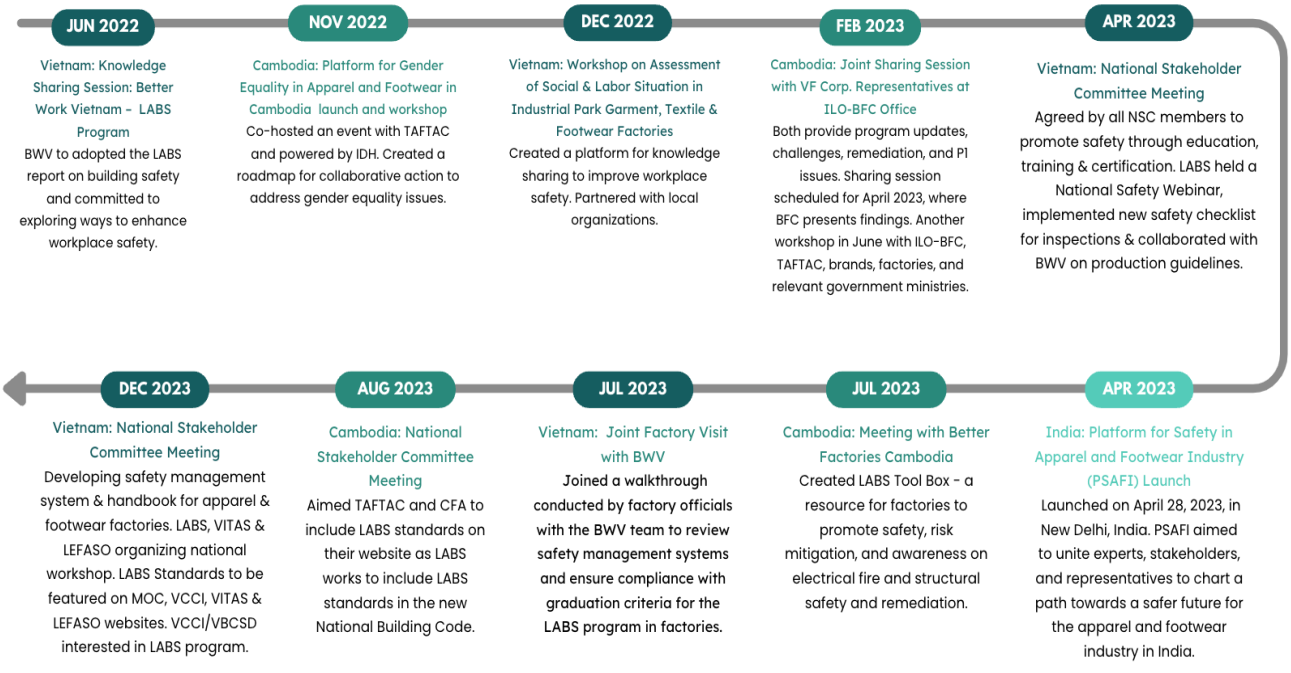
> "I believe LABS has been very proactive. From our perspective, LABS consistently takes the initiative to exchange information and provide updates through both formal and

[35] https://labsinitiative.com/life-and-building-safety-initiative-improves-safety-for-1-million-workers/

informal meetings. I am confident that LABS has done an excellent job actively reaching out to and updating various organizations and partners."

- KII with stakeholder in Vietnam -

Figure 13: LABS' key events in 2022-23



Ee2. Key factors for LABS' success include strategic collaboration, direct stakeholder engagement, and commitment to systematic change. Challenges involve factory concerns about remediation costs amid economic factors, evolving legal frameworks, and potential conflicts in assessment findings.

The strategic collaboration with key industry players such as brands, factories, government, non-governmental organizations, and civil society organizations, and direct involvement with factory owners, workers, and management are the most important elements that contributed to the quick and effective expansion of LABS.

LABS employs a robust quality assurance strategy that includes regular monitoring, hands-on technical support, communication, joint factory visits, follow-up, and shadow visits across LABS countries. Before commencing work, LABS provides comprehensive training for outsourced firms. A representative from one outsourced firm notes that, although the detailed procedures sometimes pose challenges for factories during remediation, the meticulous guidelines for safety assessment are advantageous, making the process more straightforward by offering clear criteria and standards to follow.

LABS has introduced a FAQ section[36] offering general guidance on common assessment issues, fostering a more effective remediation process. LABS also organizes biannual sessions to facilitate the sharing of best practices with factories. Meanwhile, the outsourced firms, such as a training firm in Vietnam, has established a Zalo group specifically for trained factories. This group serves as a platform for sharing experiences and engaging in discussions about safety-related issues. These activities highlight LABS'

[36] https://labsinitiative.com/wp-content/uploads/2023/02/Tool-box-v1.4.pdf

commitment to ensuring consistency, high standards, and continuous improvement in its programs, contributing significantly to its success.

6.4. Efficiency

Ei1. LABS optimizes resources, emphasizing safety for sustained value, despite challenges in precise cost-benefit evaluation.

LABS has evolved strategically to ensure its efforts are fit for purpose and impactful. Since its inception, LABS has undergone substantial changes and adjustments, integrating invaluable lessons learned and recommendations from stakeholders. These transformative initiatives encompass the introduction of new CAP policies, featuring a structured approval process that includes sign-offs on CAP and designs from inspection firms. In 2019, the implementation of CAP closure visits, rooted in recommendations from both the steering committee and technical sub-committee of LABS, further fortified the program's proactive measures. To affirm its commitment to gender equality, safety training modules underwent updates, integrating a gender lens into safety procedures. Embracing enhanced data management practices, LABS refined reporting templates and heightened progress tracking in factories. In a bid to foster transparency, comprehensive reports detailing various facets of LABS activities were systematically published on the organization's website. This commitment to transparency is further underscored by an ongoing process of improvements and adaptations, exemplifying LABS' dynamic and responsive organizational ethos. Collectively, these changes emphasize LABS' dedication to maintaining high standards, addressing emerging challenges, and evolving in harmony with stakeholder needs and the broader community.

The strategic outsourcing of assessment, training, and remediation processes has enhanced LABS' operational efficiency by optimizing resource utilization. LABS adopts a comprehensive approach to its operational strategy, engaging local and international firms to ensure a standardized process globally. All firms have local teams in place to execute LABS processes. This dual-pronged strategy aims to strike a balance between leveraging regional expertise through local collaborations and upholding global standards through the foreign inspection firm. The intention is to contribute to both local development and international best practices, underscoring LABS' commitment to an efficient and synergistic integration of local and global resources.

In adherence to LABS standards, any issues identified in an assessment must be promptly remediated in accordance with the CAP approved by the inspection firm. The timelines for remediation are determined by LABS methodology and mutually established during the CAP sign-off meeting between the factory and the inspection firm. Notably, while LABS insists on meeting specific requirements, factories maintain autonomy in selecting vendors (remediation firms) that align with their budgets, as LABS refrains from exerting influence in this regard. This refined process underscores efficiency by providing clear guidelines and timelines for issue resolution, concurrently allowing flexibility in vendor selection to accommodate diverse budgetary considerations. LABS provides technical support throughout the remediation process, ensuring timely actions through coordination with both brands and factories.

LABS employs a Training of Trainers (ToT) strategy across its three training levels, maintaining a steady training cost of 400 to 500 Euros per factory, regardless of the training level. The ToT approach proves advantageous on multiple fronts: it optimizes the efficient dissemination of knowledge while concurrently diminishing reliance on external trainers. The internal trainers, having undergone initial training, possess a nuanced understanding of the factory context and the specific needs of their colleagues, thereby enhancing the training's effectiveness. Beyond immediate benefits, this approach serves as a catalyst for building internal capacity and expertise, fostering a sustainable model for continuous training within the factories.

The ToT approach, while beneficial, faces challenges, including potential variations in the quality and consistency of subsequent training sessions delivered by the internal trainers.

LABS provides a toll-free Helpline (in Vietnam, India, and Cambodia) and a LABS Chat platform (in Vietnam, India, Cambodia, and Indonesia) to empower workers in voicing their safety concerns. Initially, the Helpline access was provided through third parties, such as Cyfuture in India and Relia in Vietnam. In 2023, the Helpline was upgraded and the Chat feature was added to make it easier for factory workers to report issues. Transitioning from an outsourced, costly helpline service, to an in-house solution with the chatbot feature, reduced expenses.

Determining the metrics of cost efficiency and the cost-benefit ratio of the LABS program, especially in different contexts (e.g., different countries, and size of factories), remains challenging. This is mainly because there is limited data, different models are used, and efforts to reduce risks can lead to higher costs.[37] However, the long-term cost efficiency of prioritizing safety, compared to the potential consequences of inaction, is justified when considering the value of people's lives, as highlighted by an outsourced firm.

> "…When it comes to cost-efficiency, long term, it is always cost-effective. This is because the cost, especially in the long-term, compared to consequences [of inaction], is very small. This is people's lives, so it is very difficult to compare costs and effectiveness."
>
> - KII with stakeholder in Vietnam -

6.5. Impact

I1. LABS positively transforms factory safety, fostering proactive measures, efficient processes, and cultural shifts. LABS, initially brand-driven, receives enthusiasm from participating factories for enhancing safety, justifying costs through positive impacts on image, and safety commitment.

LABS has brought about positive changes in internal safety check systems within factories. This shift has elevated the overall safety approach in factories, fostering a culture that prioritizes thorough safety practices. It marks a departure from merely "meeting requirements" to actively minimizing safety risks, signifying a move away from reactive practices and embracing a proactive and efficient safety protocol. Additionally, LABS plays a crucial role in expediting the factory safety process, making it swift and automatic.

> "The factory follows the LABS regulation and finds it safer. In the past, doors had locks, now we just push the door to escape, very easy."
>
> "Without LABS, the fire protection machine could not be improved. Now, with LABS, it is very quick to install; it's fully automatic."
>
> "LABS has assisted in making our safety systems more detailed, consequently rendering them easier to operate. Furthermore, complying with various standards and inspections has become more straightforward, thanks to the detailed technical guidelines provided by LABS."

[37] Cagno, E., Micheli, G. J. L., Masi, D., & Jacinto, C. (2013). Economic evaluation of OSH and its way to SMEs: A constructive review. Safety Science, 53, 134-152. https://doi.org/10.1016/j.ssci.2012.08.016; Micheli, G. J. L., Cagno, E., Neri, A., & Cieri, E. (2020). Non-safety costs: A novel methodology for an ex-ante evaluation. Safety Science, 133. https://doi.org/10.1016/j.ssci.2020.105025; Rikhotso, O., Morodi, T., & Masekameni, M. (2022). Health risk management cost items imposed by Occupational Health and Safety Regulations: A South African perspective. Safety Science, 150, 105707. https://doi.org/10.1016/j.ssci.2022.105707

- FGD with factory staff in Vietnam-

Across the three countries, the survey respondents have very positive perceptions of their increase in Knowledge, Attitudes and Practices (KAP) due to LABS (Figure 9). The training has resulted in better knowledge and understanding of safety regulations, such as the types of fire extinguishers and their proper usage based on color labels. Moreover, they have become more aware of the causes of safety issues, safety guidelines, and reporting mechanisms. The implementation of the LABS program has instilled a sense of confidence and interest among buyers. In India, there is a slightly more pronounced perception of increased knowledge among staff members, but workers also express very positive increases in KAP.

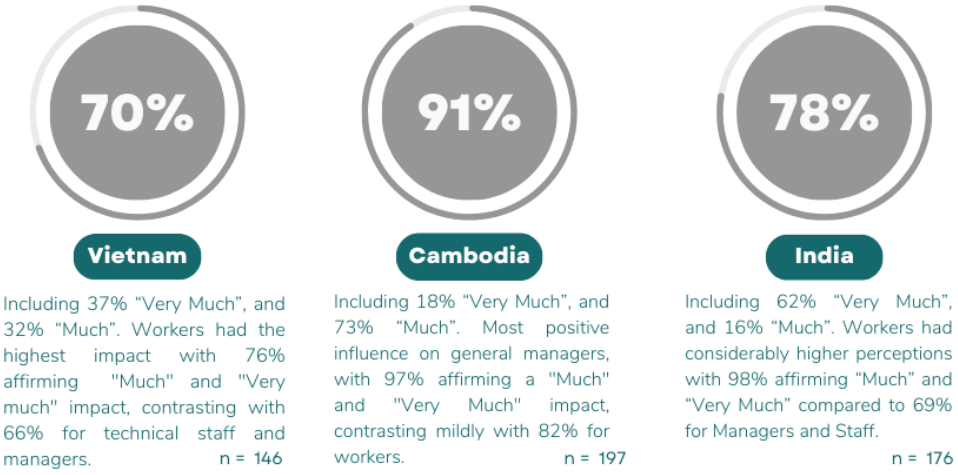
"Before this, when we talked [to workers] about safety regulators related to electricity, fire, and structural safety, people may have some general thoughts, but nowadays when we talk about safety regulators, they understand and change their behavior… We found factories under the LABS program have training reports, monthly maintenance reports, drill reports on fire, and evacuation, so the training is effective and impacts the basic thinking and practice of factories and workers habits at work."

- KII with stakeholder in Cambodia -

"[The] attitude [towards safety] has changed a lot. [Workers lookout] for safety [issues] while working… [This has contributed to] the entire premise [being] well-maintained with all precautionary measures."

- FGD with workers in India -

Figure 14: LABS impact on Knowledge, Attitudes and Practices



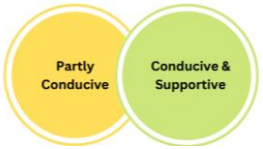
Despite initially joining LABS at the request of major brands, all visited factories affirm that the program is worthwhile. Most respondents express an interest in participating in LABS or similar programs, irrespective of client brand requests.

The survey results demonstrate early signs of "crowding-in," with respondents noting that various stakeholders, including non-LABS factories, have expressed interest in joining LABS without brand nomination. Some credit their enthusiasm to the influence of peer factories within their corporation that have already joined. Despite initial reservations, there is a shift in perspective during participation, with respondents recognizing the benefits and value of the program.

"I believe it is worthwhile. Initially, when people suggested that we join, we were somewhat confused about the reasons behind joining this program. However, upon actively participating in it, I observed distinct improvements in both personnel and facilities, all geared towards serving the needs and welfare of the factory. As the factory

enhances its operations, the assurance of a positive reputation and increased orders follows. The benefits extend to both human resources, labor, and the factory's income, as well as fostering positive relationships with customers."

-KII with factory manager in Vietnam-



I2. LABS has positively impacted business practices by promoting safety integration.

LABS has influenced brands and other stakeholders to improve business practices. The partnered assessment firms have now adopted more efficient practices, such as sending out questionnaires in advance, to optimize time efficiency in factories. The participating brands promote safety integration in their discussions.

"LABS has indirectly influenced our internal processes. It has heightened awareness and integration of safety into our supply chain discussions."

- KII with brand -

LABS's harmonized standards show the likelihood that certain non-LABS brands start viewing them as a safety benchmark in their supply chain. This is highlighted in a case study of non-LABS brands seeing LABS standards as a reputable checking method for factory safety (Box 4).

Box 4: Case study: LABS replicated by other non-LABS brands

Many brands highly value LABS as a key indicator of a factory's strong commitment to maintaining high safety standards. One brand mentioned they have observed some non-LABS brands that will look to manufacture their goods in factories already committed to the LABS program, due to their involvement with a LABS brand, and rely on this as their due diligence. The LABS brand expressed some frustration over this method, as the brand was benefiting whilst not paying for or committing to LABS. This is particularly significant as brand engagement is such an essential part of the LABS program.

However, they also saw a positive in this. LABS is seen as a trusted safety standard in the industry and other brands want to benefit from the improved standards, albeit without paying for them. The respondent also recognizes the inherent benefits of enhanced safety measures for the entire industry.

This shows the LABS program is playing a role in systems change. It is having a wider impact than the factories and brands directly within the program.

- KII with brand -

Certain non-LABS factories may benefit from adopting LABS standards to improve and enhance their safety measures.

"LABS sets a precedent that enables us to learn and apply [good practices] in the future for footwear sector factories. Many Vietnamese factories (non-FDI) can learn from the standards and criteria established by LABS to enhance safety in their operations."

- KII with stakeholder in Vietnam-

Brands involved in LABS maintain non-binding commitments regarding continued sourcing or increased buying power for compliant factories. Adherence to safety standards is mandatory, and failure to meet these standards results in exclusion from the supply chain. The necessity for such rigor is underscored by the diverse conditions observed in factories, some of which lack proper maintenance and safety measures. Factories in Vietnam can achieve 100% remediation of identified issues; however, the primary challenge

lies in establishing robust safety management systems and safety cultures, which is a time-consuming process. The resolved issues, unless consistently maintained, may reoccur. To address this challenge, it is essential to foster a culture of continuous improvement, encouraging employees to suggest and implement safety enhancements. Establishing a mindset of ongoing improvement ensures that the safety system remains adaptive and effective over time.

I3. Enhanced sector governance is driving transformative advancements in safety standards, promoting transparency, and cultivating a robust safety culture within the target industry.

Details of the role of LABS in enhancing sector governance in Vietnam, Cambodia and India can be found within the country-specific chapters of this report. More generally, inclusion of LABS standards into national guidelines is advanced by NSCs. These meetings update stakeholders on LABS program activities and allow a space for discussion, consultation and evaluation of the program on the apparel, footwear and textile industry in Vietnam. Topics such as "Increasing Visibility of the LABS Initiative Program" and "Creating a Platform for Sharing Safety Best Practices"[38] are discussed. Providing this area for stakeholders to come together and share helps to advance safety standards, promotes transparency and enhances sector governance in the whole industry.

A comprehensive transformation goes beyond implementing immediate changes; it requires fostering a sustained commitment to new safety management systems and safety cultures. Overcoming challenges such as adapting established norms, addressing resistance to change, and navigating unforeseen obstacles adds complexity to the task. Successfully addressing these complexities demands a strategic, long-term perspective to untangle the intricate web of interdependencies inherent in transformation initiatives. While short-term milestones and quick wins may provide glimpses of progress, achieving lasting impact and fully realizing transformative goals necessitates a patient and collaborative approach.

I4. LABS has brought about a safer working environment not only within factories but also beyond.

The core advantages of LABS focus on enhancing workplace safety and thereby promoting better jobs for workers. LABS not only tackles immediate safety issues but also plays a crucial role in elevating wider industry awareness and nurturing a sustainable, secure working environment. Some of the specific changes mentioned include the installation of a security door system, fire protection water system, and improvements to the electrical system. Many respondents noted safety updates they have implemented at home including; following recommended standards for changing electrical wires, understanding the importance of using 2- or 3-hole power outlets, and recognizing electrical issues.

> "[Workers now] recognize electrical issues and exercise extra caution. For instance, they will be cautious around cables and electricity as they are aware of fire hazards. Another example would be waiting until the fire has extinguished before leaving the house."
>
> - FGD with workers in Cambodia -

Despite potential initial expenses, the positive outcomes underscore its value as a prudent investment.

[38] LABS Vietnam National Stakeholder Committee Meeting Agenda 8/12/23

"I believe the main benefits of LABS are to enhance safety levels at factories and to provide long-term advantages for workers. In the short term, it may incur significant costs, but the positive impacts it generates are substantial, particularly in terms of ensuring safety at the factory and raising awareness throughout the entire industry."

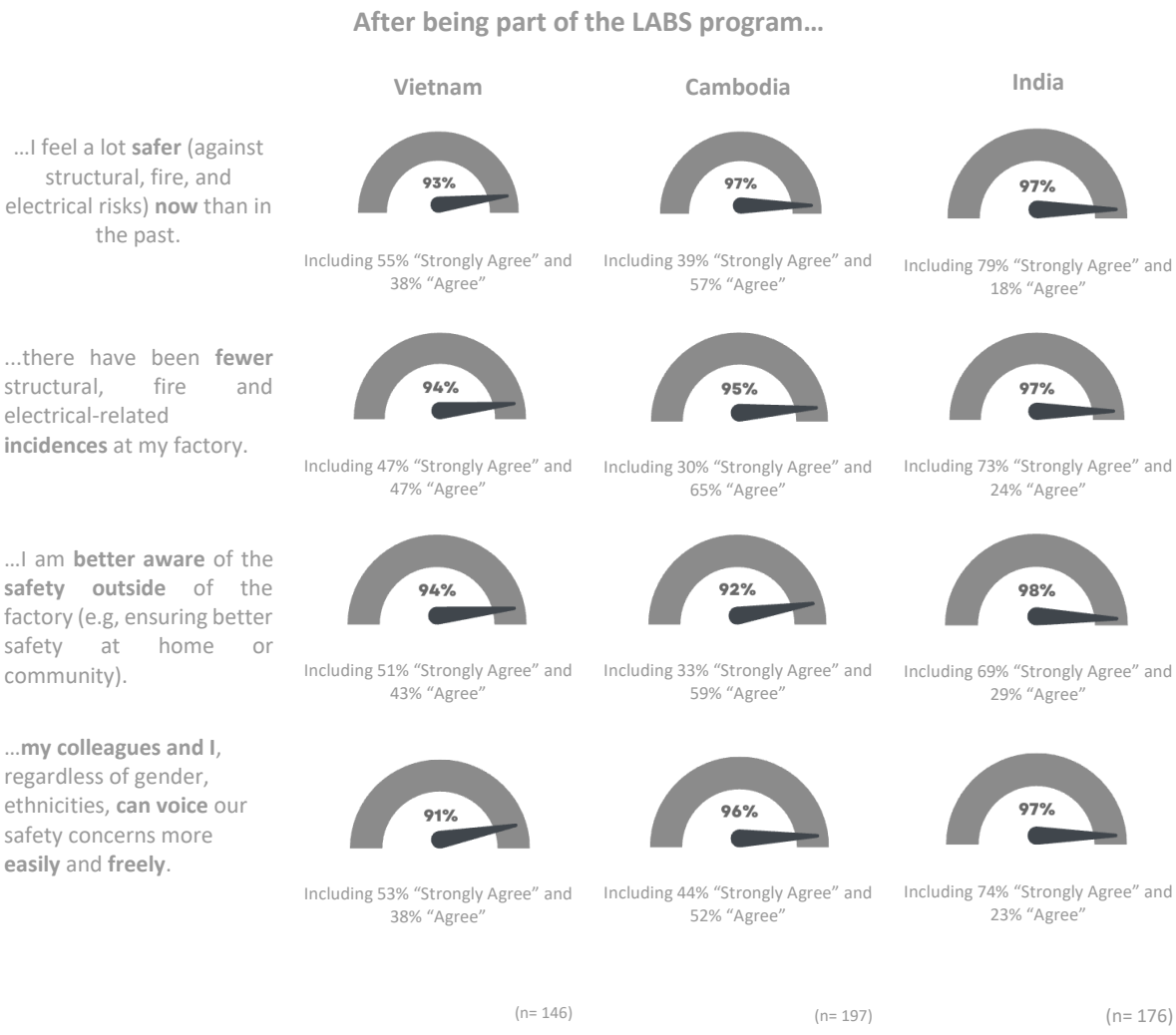
-KII with stakeholder in Vietnam-

"Thanks to the training course, they know more about safety and feel more secure. Previously [when I worked for past factories], I was worried about [the possibility of] electrical leaks, but [since] working at this factory [and receiving LABS training courses], I do not have to worry because there are regular examinations by [the factory's] technicians."

- FGD with workers in Vietnam -

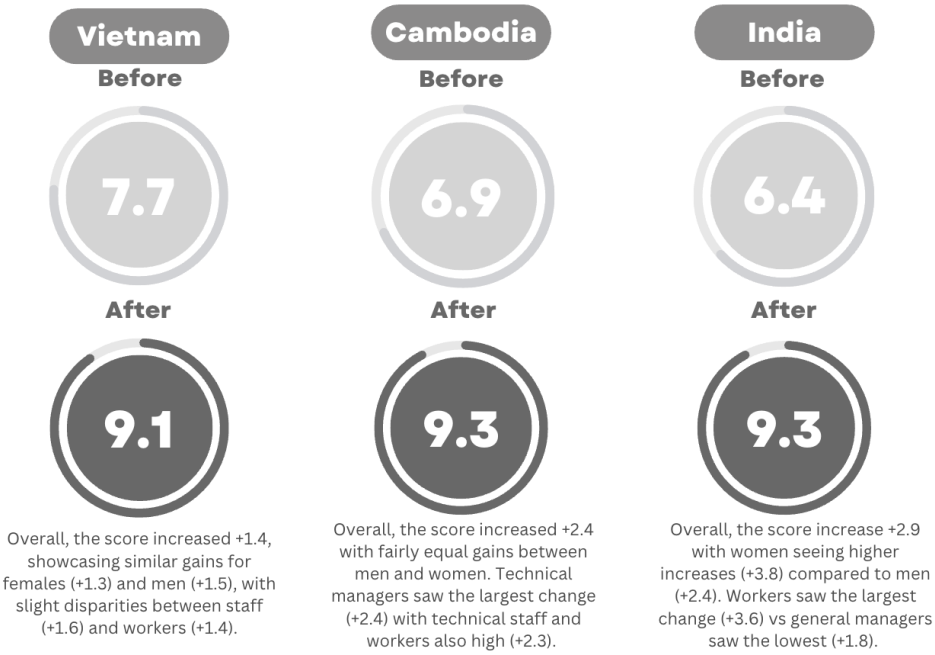
The survey indicates a consensus among respondents, with a majority of survey respondents expressing agreement on LABS' impact on factory safety, awareness, and expression of safety concerns (Figure 15).

Figure 15: Factory agreement on LABS' impact



The survey findings indicate an improvement in factory safety scores following the implementation of the LABS program (Figure 16).

Figure 16: Scoring factory safety before and after joining LABS



The safety training has not only enriched knowledge but also motivated trainees to incorporate these learnings into their daily lives, including their house construction.

> If a plug is loose, workers will inform technicians, and the technical team will promptly address it. Since LABS, encountering similar situations has ingrained a reflex to initiate immediate repairs. After training, when workers return home and identify unsafe electrical conditions, they will address the issues following electricians' instructions."
>
> - FGD with workers in Vietnam -

Many respondents reported being involved in knowledge and practice sharing with neighbors, friends and family, taking the initiative to explain electrical issues and prevention measures to them. Overall, the program has extended safety practices beyond the factory walls, empowering workers to implement them in their own homes and create a safer living environment.

> "All workers who are working here would tell their families about the safety regulators and what they had learned from this factory."
>
> - FGD with workers in Cambodia -

I5. Despite positive gender impact findings, evaluating LABS' gender impacts is challenging due to a small survey sample and recent gender inclusion; nevertheless, LABS remains committed to promoting equality and inclusivity for a more impactful approach.

The LABS program is a gender-intentional program across three countries. LABS also sits within a wider system that is becoming more gender intentional. The drivers influencing the inclusion of women workers are legal mandates and brands increasingly including gender-specific considerations in their Environmental, Social, and Governance (ESG) policies and frameworks.

Specifically, in Vietnam, the Law on Occupational Safety and Health (OSH) 2015 and the Labour Code 2019. Both emphasize equal representation and safety measures for women in factories, prompting adherence to gender-specific policies. Apart from specific large factories with established internal gender policies, others may not proactively address gender equality without legal mandates, brand requirements, and third-party assessments, leading to limited implementation. LABS's gender measures serve as a valuable addition to efforts to tackle gender issues. Female workers constitute a significant proportion of the workforce in the target industry, specifically approximately 80% in the visited factories in Vietnam. LABS has been incorporating gender equality and related concerns into their work since 2021, aiming to promote women's empowerment, encourage women to voice their concerns, participate in decision-making processes, and speak up in OSH meetings. To date, a modest number of activities have been implemented, encompassing the provision of gender training for the LABS team, training firms, and the integration of gender modules into both the factory orientation and safety training modules. The added gender module, despite being broad, is perceived as a positive addition by training firms.

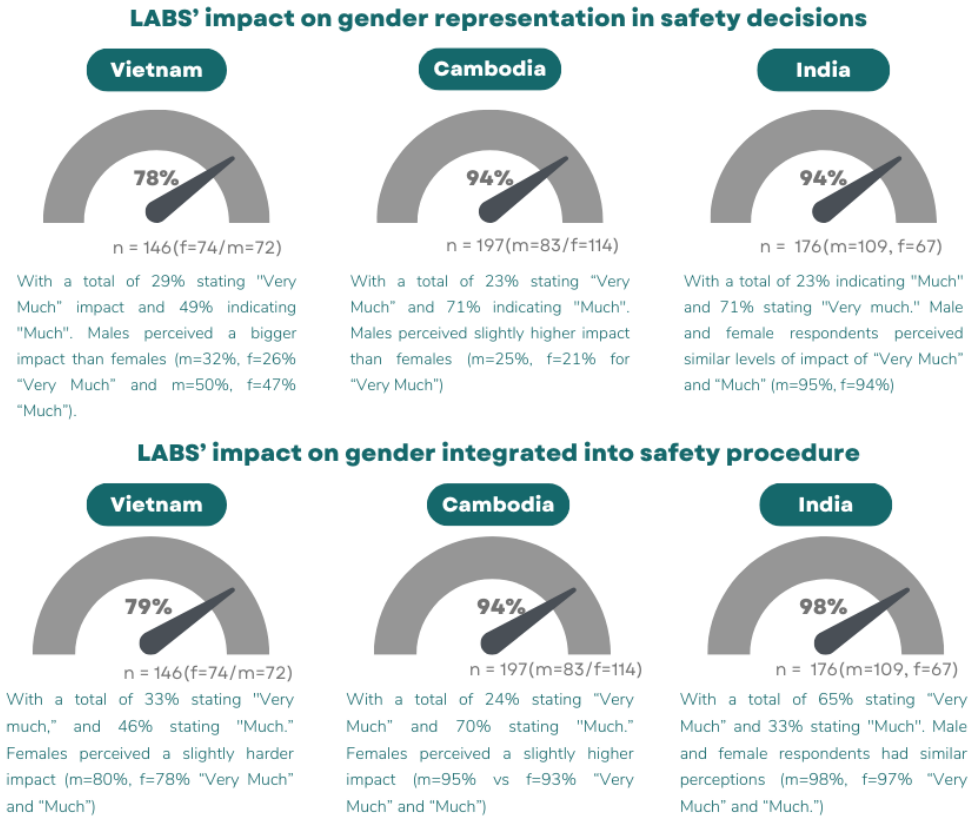
In India, adoption of gender measures within factories in the LABS program, partly because of requirements and ESG programs from the different international brands, had been going on pre-LABS. LABS has, in some cases, ensured more pressure on factories to implement pre-existing gender issues. Additionally, there was a perception within the LABS team in India that most of the gender issues within fire, electrical and structural safety were 'external', and are to do with wider socio-cultural dynamics, that cannot be tackled effectively within the LABS's scope. Although the majority of women occupy factory floor positions in apparel factories in India, the women-men ratio for LABS factories is around 50-50. This is because the majority of the workforce in LABS factories in the North of India were men. This poses challenges in encouraging more participation of women, such as in the OSH committees, as it was difficult to 'keep asking the same women'. This perception of wider socio-cultural processes is consistent with some of the findings in this evaluation, which point out the imbalance in representation of women in technical and engineering roles.

The survey results demonstrate the positive perception of the LABS program by factory workers and staff across the three countries (Figure 17). This indicates a potential shift from gender neutrality to gender intentionality as a result of the gender module. The inclusion of women in ToT safety training enables them to serve as trainers in the workplace. The volume of helpline calls from women is approximately equal to or potentially higher than those from male workers. As mentioned above, the introduced gender quota and gender training have filled in the gap between regulatory requirements and implementation.

In Cambodia, many stakeholders mentioned that women are more engaged in the LABS safety training, leading to a better understanding of the changes LABS introduces in the factories. It is reported that there is an increase in women leading the safety work in the visited factories.

In India, most participants during the FGDs and KIIs at factories seemed to share the perception that the LABS gender quota has meant more participation of women in ensuring fire, electrical and structural safety at factories. There were conflicting responses at times, however, with some denying the existence of gender-based discrimination but acknowledging more equal opportunities for women with the involvement of the LABS program.

Figure 17: LABS' gender impact



Overall, the majority of respondents express satisfaction with the integration of gender equality into factory safety procedures. These activities provide opportunities for the factories to identify areas of deficiency, especially considering the limited inclusion of gender equality in government-mandated OSH training and audits. In the next phase, LABS plans to advance its efforts to strengthen representation, capacity, and, consequently, the voices of women in ensuring structural, fire, and electrical safety at factories.

> "Prior to LABS, our factory had a committee that did not adhere to the male-female ratio. LABS encouraged adjustments to align with the workforce gender ratio. The committee now comprises around 20 members, with three-quarters being female."
>
> -KII with factory manager in Vietnam -
>
> "During 2021-2023, LABS and the training firms mandated factories to ensure a minimum of 40% female participants. This indicates a positive shift in participation and gender ratio during training, signaling an increasing focus on the gender module in the future."
>
> -KII with stakeholder in Vietnam -

Gender impacts, however, are challenging to observe, given that gender is a new specific inclusion of LABS. Given the small survey sample, the interpretation of LABS' impact should be approached cautiously. Additionally, in the past few years, LABS prioritized achieving gender parity in training, ensuring that at least 40% of female workers attend safety training, with a less pronounced commitment to actively supporting female workers in decision-making processes. Meanwhile, it is observed that in the visited factories, there appears to be no apparent hindrance for female workers to voice safety concerns or engage in technical roles. Also, as shown in the figure above, while there is an overall positive perception of the

LABS program's gender-based impact, there is a subtle difference in the degree of positive impact between male and female respondents. This suggests a need for ongoing efforts to ensure gender inclusivity.

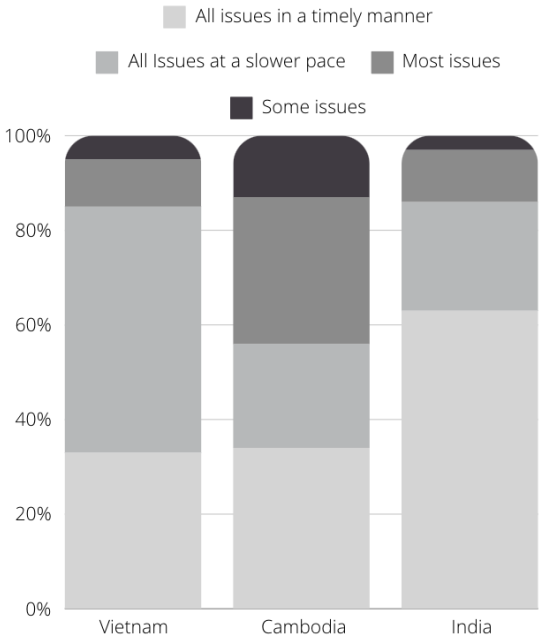
Looking ahead, LABS is endeavoring to promote gender equality, empowering female workers by encouraging them to learn and assume more responsibilities, thereby enhancing their career opportunities and earning potential. Future safety training will address specific requirements for women, such as those related to pregnancy. Generally, LABS is strategically planning to intensify efforts to foster gender empowerment and inclusivity in decision-making, aspiring for a more comprehensive and impactful approach to gender equality.

I6. In a "without LABS" scenario (the counterfactual), visited factories express confidence in safety remediation without LABS, citing adherence to local standards, but stakeholders emphasize LABS' influence on the safety remediation.

Various perspectives exist regarding which remediation measures would have happened if the factories had not undertaken the LABS program. Visited factories express confidence that their factory would have addressed these safety issues even without LABS (Figure 18).

In Vietnam and India, high local standards that align with LABS have been cited as the reason behind this confidence. Across the three countries, workers were often among the most confident in these changes, and technical managers among the least confident. It is possible that technical managers, having a deeper understanding of the factors involved in remediation, may assess the likelihood of these actions more precisely. Despite factories believing they could have made these remediation changes without LABS's assistance, the majority agreed that LABS provided a more detailed and comprehensive safety approach.

Figure 18: Predicted remediation without LABS



Our discussions with stakeholders reveal that factories, despite their confidence, would not have achieved the same level of remediation without LABS. Without the intervention, factories rely solely on their internal practices, which fall below the standards set by LABS. The aforementioned lack of common standards in Cambodia means that factories that undergo LABS have noticeably higher standards.

> "All the factories [that] are practicing at the LABS standard are much higher than the government's public sector standard."
>
> - KII with stakeholder in Cambodia-

For many of the factories in India, LABS is not the only external program that they have. On top of government regulations and inspections, many regularly have to adhere to other requirements when they supply to multinational brands. However, for many, one of the LABS's significant additions to factories is the technical detail that it provides. This facilitated a 'deep-dive' that prevented safety risks that otherwise

'could not have happened'. Like in Vietnam, the LABS program facilitated the enforcement of national safety regulations in India.

> "Without [LABS], nothing would have happened … [partly because there was] limited knowledge before, especially [to do with] wiring."
>
> "Government and brands provided basic requirements. As per LABS standards, a lot of changes took place."
>
> "The local government regulations are very lax, and without the implementation of the LABS program, there were a lot of unseen safety issues waiting to happen…[because] nothing would have been checked."
>
> - KII with factory managers in India -

Moreover, it ensures, through brands' pressures, that factories adhere to regulations to ensure safety. This is especially necessary given one of the issues in the Indian apparel industry being the implementation and compliance of the Code, rather than lack of safety regulations.

LABS is viewed by brands as a crucial force driving factories to elevate safety policies, leading to significant improvements in fire, building, and electrical safety. The absence of LABS would have hindered these advancements. The comparison in Vietnam highlights that internal safety programs get factories halfway towards their safety goals, while LABS propels them to achieve 90% of the required safety standards.

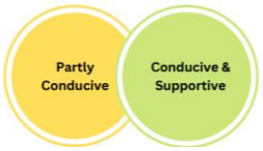
> "Without LABS, significant improvements in fire, building, and electrical safety in the covered countries would not have occurred."
>
> "I think our internal safety program probably gets our factories 50% of the place where they need to be. Whereas LABS probably gets some to 90% of where they need to be."
>
> - KII with brand -

Meanwhile, one KII respondent shares that without LABS, the expected changes could still occur, albeit at a slower pace. Firstly, achieving safety standards poses difficulties, as compliance typically happens during renovations or new construction, which is unpredictable. Secondly, improvements to factory infrastructure would progress more slowly. Awareness among managers and owners is a challenge, as they weigh investment costs against economic efficiency. Thirdly, without exposure to LABS, labor may lack confidence in asserting their rights in unsafe working environments. Advocating for safety standards becomes difficult without proper training.

> "State regulatory agencies play roles in managing fire safety, labor safety, and structural safety; however, the motivation for factories to comply may not be as strong as when they join the LABS program. Inspections and checks by regulatory agencies often focus on specific aspects, such as fire prevention, possibly only addressing technical systems for fire prevention, emergency exits, and access for fire trucks. Other aspects, such as electrical safety or structural safety, might not be as thoroughly examined or addressed as required by the standards, making it challenging to ensure the overall safety of the buildings."
>
> - KII with stakeholder in Vietnam -

Despite the opinion of stakeholders that these changes would not currently occur without LABS, this highlights a future goal. LABS aims to reach a stage where its existence becomes unnecessary, with governments autonomously assuming its role. This evolution is yet to materialize, underscoring a future target impact of the LABS program.

6.6. Sustainability



S1. Post-LABS graduation, factories demonstrate commitment to safety, emphasizing strategic considerations for long-term success and adaptability to emerging requirements. LABS employs post-graduation support, but the enduring success of safety interventions depends on the factories' ability to independently implement and maintain safety management systems.

Upon completing the program, a graduated factory receives a certificate of completion and an email that encourages them to "maintain and improve upon the safety practices set forth in the LABS Methodology and Standards, in addition to your Local and National guidelines". To facilitate continuous improvement, LABS equips the factory with a semi-annual self-assessment report template checklist, complemented by online support featuring updates on safety training, new toolkits, newsletters, and industry-related developments. After graduation, the factory does not need to pay for a LABS fee, and these post-graduation support services come at no additional cost. A failure in self-assessments prompts re-entry into the LABS program, and any structural changes to the factory, such as new construction or acquisitions, necessitate resubmission to ensure the enduring effectiveness of the LABS program beyond graduation. Graduation from the program requires the successful establishment of a robust safety management system, enabling graduates to autonomously sustain it post-graduation. LABS' success is contingent on the factories' capacity to independently implement and maintain their safety management systems.

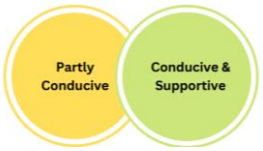
Post-LABS graduation, a majority of respondents affirm their factories' dedication to sustaining and enhancing safety standards initiated during their participation. This commitment is evidenced through the integration of LABS standards into operational manuals, regular internal safety checks, and an ongoing commitment to safety training. Despite potential financial constraints, there is a commitment driven by strategic considerations such as preserving client relationships and fostering a robust long-term safety culture within the factories. Some respondents highlight their factories' proactive approach in adapting to emerging safety requirements and legal changes, pursuing elevated benchmarks in operational excellence and worker safety. For example, in the previous year, when the construction of a new building took place, one owner sought guidance from LABS on how to establish the production line correctly. This collective effort indicates a commitment to upholding the elevated standards set by LABS.

The survey data underscores an overall positive perception among respondents regarding the factory's safety resources post-graduation. Figure 19 shows a breakdown of survey respondents who 'Agree' or 'Strongly Agree' with the statements regarding post-graduation systems. Post-graduation financial resource concerns were mentioned throughout the evaluation. There is a significantly lower confidence in survey responses in Vietnam regarding finance. Since costs remain one of the main issues hindering more active/ willing participation from factories, there may be future conflicts between the workforce's willingness to maintain measures and financial considerations from factory owners. In India, the voluntary continuation of LABS's activities post-graduation without LABS's involvement is also called into question by outsourced firms, as it was a lack of 'pressure' that had led to factories frequently not meeting safety standards.

> "…there should be some regular visits or regular audits, even after some particular interval, say one year or two years, whatever is this. Otherwise, the factories may not sustain those things… as long as they don't have that pressure that you have to perform every day, every time. So it's very important to have that."
>
> - KII with stakeholder in India -

Figure 19: Perceived resources in factories post-graduation

LABS has been working with the factories to enhance their systems, empowering them to sustain operations and adhere to the established framework. Also, LABS has implemented comprehensive strategies to ensure the sustainability of the intervention's benefits post-graduation. Still, some stakeholders express apprehension over the post-graduation process of the LABS program as it is still in its early stages. This has been discussed within NSCs where these stakeholders work with LABS to improve these processes to guarantee longer-term changes in factories.



S2. LABS' sustainability is strengthened by integrating its standards into national guidelines, collaborating with local governments, and gaining support from stakeholders.

Across Vietnam, Cambodia and India, the LABS standards have increased their sustainability due to their work of integrating its standards into national guidelines and its work creating national platforms where it can engage with and gain support from stakeholders. These collaborations allow capacity building at various levels and encourage a longer-lasting influence.

The absorption of LABS guidelines into the national framework in Vietnam and the close collaboration with the national government highlights a commitment to long-term impact. The creation of NSC further reflects an intent in capacity building, providing platforms for stakeholders to share and learn. LABS secures support from local associations, such as VITAS, in ensuring factory safety. Associations find LABS appealing because of its dedication to safety and sustainability, representing a comprehensive approach that prioritizes the long-term well-being of workers in the industry.

The incorporation of safety guidelines and standards set by LABS by the Ministry of Labour and Vocational Training (MoLVT) and the ILO into the 2nd Master Plan on Occupational Safety and Health (2018-2022), shows that the Cambodian government recognizes the value of LABS and supports its efforts. This governmental environment is a positive factor that will help to maintain the work of LABS in Cambodia. LABS' sustainability is significantly strengthened by the active support of participating brands. Through

their association with LABS, brands play a pivotal role in extending the program's reach and impact, contributing significantly to its overall sustainability and effectiveness in promoting factory safety standards within the industry. Brands' interest in bringing more brands on board signifies a recognition of the program's overall benefits and value to the industry. This collective support represents a shared commitment within the industry to prioritize safety and compliance.

> "I actively promote LABS to other brands, and we hope to bring more brands on board soon. Although LABS is costly and challenging, it is beneficial for everyone involved."
>
> - KII with stakeholder in Vietnam -

Some KII respondents mentioned the program's potential to expand and replicate its success in diverse industries, considering the transferability of LABS standards and experiences. For example, the safety measures brought to the apparel, footwear and accessory industries by LABS could also be replicated in other industries such as food, wood, bamboo, and handicrafts.

> "Currently, we have general programs that cover labor and social safety aspects across different industries, but specific focus areas like building and construction safety are lacking in non-garment sectors. LABS fills a unique niche in the garment industry, but similar dedicated programs are needed in other manufacturing sectors to address their specific safety challenges and risks. Expanding LABS or developing analogous programs for these other industries would help raise awareness and improve safety standards comprehensively across our diverse production lines."
>
> - KII with stakeholder in Vietnam -

Due to the federal structure in the country with safety partially managed as state/provincial level subject, wider policy changes in India are slower compared to Cambodia and Vietnam, but there have been some noticeable positive results. The program's sustainability can be seen through its effects on the wider safety sphere. New clients have been enlisted by existing clients who were influenced by the benefits of the LABS program at a factory. Multi-stakeholder engagements through the NSCs and the PSAFI demonstrate strong willingness from several businesses, organizations and government institutions to scale up measures to ensure workplace safety and LABS's currently important role as a facilitator to bring about more coherent collaborative actions.

Additionally, the expansion of LABS to, for example, the home textiles[39] industry, shows another milestone in the scaling of the program.

> "Home textile is very important, whether it's Panipat or Noida or Coimbatore. It's actually something very, very important from the point of view of our export basket as well as compliances."
>
> - KII with stakeholder in India -

Moreover, the expansion of the LABS program into this sector signifies LABS's approach of tackling safety issues where it is potentially most needed, as these sub-sectors consist of more SMEs, who may have less incentives and fewer resources to ensure safety compliance. Although the program is currently limited to only tier 1 suppliers, the possible expansion further to tier 2, where 'the whole textile industry is'[40], can have very significant impacts, albeit not easy.

[39] Home Textiles include, for example, bedsheets, pillows, towels, bath and kitchen linen, blankets and carpets.
[40] from discussion with the LABS India team

> "...[Tier 2 would be] spinning, weaving and yarn manufacturing. That's another larger ball game and bigger investments."
>
> - KII with stakeholder in India -

Additionally, wider engagement with more local institutions is needed to scale impacts, and local institutions' serious participation in the program can potentially happen in the future as LABS is increasing its presence.

> "[Local institutions are] rather busy with the Sarkari dictates and all that. Till now, we really haven't had very serious memberships or very serious participation, but I'm hoping that there will be since the program is moving forward."
>
> - KII with stakeholder in India -

However, the involvement of diverse stakeholders in the LABS program poses a coordination challenge, and the potential expansion into more varied industries emphasizes the necessity for proactive measures to effectively address and prepare for heightened complexities.

7. Recommendations

In this chapter, we will present a set of strategic recommendations for LABS, derived from evaluation findings and consultations with factories and stakeholders. These recommendations are tailored to address identified challenges and capitalize on opportunities, emphasizing LABS' commitment to advancing factory safety standards within the apparel, footwear, accessories and home textile industry.

7.1. Policy Advocacy

1. *Promoting LABS' Visibility through Strategic Policy Advocacy.* Policy advocacy is one of LABS aims and successes. Currently, LABS conducts this with limited resources and no detailed strategy or theory of change. One start towards that might be that brand funding adds an explicit 10% for this objective. LABS could also look into potential grants to fund their policy advocacy as this has effects for the whole sector and country.
2. *Promoting Continuous Collaboration with Local Governments*. Currently, LABS collaboration with Local Governments is successful but mainly focused on drafting documents and legislation. To create further-reaching impacts (including non-LABS factories) and smoothen the implementation of LABS standards, collaboration with governments could focus on implementation measures. This could include opening LABS training sessions to government-employed safety assessors (or having specialized sessions for these assessors), sharing updated technology, and developing case studies for governments to use in their implementation. This will create greater coherence between LABS and national standards and boost safety in the countries.

7.2. Outreach and Collaboration

3. *Attracting more Brands to LABS.* Brands play a crucial role in shaping and adopting the LABS program. Brands endorsing LABS have significant influence over their supply chains, driving widespread adoption, reducing costs, and improving compliance. Our evaluation often received feedback that LABS onboarding more brands is the most certain and quickest way for LABS to expand their reach. LABS already targets to increase their scope to six brands, up from the current four, and this requires a strategic marketing plan to achieve this goal. LABS should work on this plan and explore different strategies for onboarding more brands.
4. *Promoting Collaboration with Reputable Organizations/ Programs.* LABS is encouraged to explore additional collaboration opportunities. Currently, LABS engagements largely center around establishing platforms and NSCs for the exchange of ideas and practices. A suggestion is to integrate these collaborations more comprehensively. For example, the current trend is towards sustainable factory practices, as evidenced by LEED certification[41]. While LEED primarily addresses energy and environmental concerns, a proposed collaboration could involve incorporating key safety enhancements by LABS as a dedicated section within the LEED certification process. If LABS were to develop a concise checklist focusing on essential safety measures, it could be seamlessly integrated into other programs and organizations, thereby promoting safety and coherence more broadly.
5. Actively pursuing opportunities for knowledge dissemination in workshops and events. Explore the integration of LABS safety standards into diverse contexts to ensure that LABS remains a leading advocate for worker and factory safety in various scenarios. For instance, the recent collaboration with WWF Vietnam showcased the potential of extending safety considerations beyond typical conditions to include safety during natural disasters.

[41] https://support.usgbc.org/hc/en-us/articles/4404406912403-What-is-LEED-certificatio

7.3. Pragmatic Changes and Ad Awareness

6. *Further Enhancing Safety Communication at Factory Level*
    - *For Factory Owners/Managers.* This is crucial, given tendencies to prioritize other matters over safety concerns, especially amidst financial constraints and economic uncertainties. Conveying the immediate and long-term benefits of prioritizing safety through tailored awareness campaigns, educational initiatives, and real-world examples is beneficial. Demonstrating how prioritizing safety contributes to operational efficiency and resilience is essential for establishing safety as a key element of sustainable business practices.
    - *For Workers.* Consider expanding communication efforts beyond LABS' safety posters, providing more information, and enhancing overall utility. Empowering workers to actively contribute insights fosters a dynamic and responsive communication system, ensuring their engagement and contribution to LABS' effectiveness in maintaining and improving factory safety standards, further Enhancing Safety Communication at Factory Level.
7. *Considering Adjustments in LABS Activities*
    - *Assessment and Remediation.* Customize remediation processes to address challenges associated with outdated facilities. Consider extending the safety assessment timeframe to more than one day if necessary.
    - *Training.*
        i. Tailor training to the distinct needs and features of factories, considering variations such as knitted garment (wool) factories that may have different requirements compared to typical apparel factories;
        ii. Incorporate more images, videos or examples closely aligned with specific products or processes in those factories;
        iii. Integrate trainees' feedback and update local safety regulations more regularly to ensure practicality and keep them up-to-date.
        iv. Consider increased involvement of quality assurance firms in training design and delivery;
        v. Consider continuous participation of trainees throughout different levels of training.
    - *Helpline.* Enhance the helpline's effectiveness by improving response mechanisms and addressing the perception of it being solely a reporting channel with subsequent reporting to the factory manager(s). For instance, introduce features such as guidance on emergency scenarios, instructional videos (similar to those used by national emergency hotlines for fire prevention), and the option for callers to seek guidance or advice alongside reporting issues.
    - *Gender Inclusion.* To promote gender inclusion in factories, extend efforts beyond current activities by customizing training for female workers and involving them in safety policy decisions. Collaborate with brands to embed gender-inclusive practices throughout the supply chain, use continuous monitoring to evaluate the impact of gender measures and share best practices internationally to inspire innovative approaches for gender equality.
8. *Attracting more Factories to LABS.* Expand its reach beyond its current factories and workers, a fraction of the apparel industry. Specifically:
    - Bridge the gap with local factories, especially small and medium-sized ones, given that LABS currently primarily engages with foreign-funded enterprises (e.g., constituting 80-90% of LABS factories in Vietnam). Customize approaches based on each factory's unique characteristics and scale, emphasizing support for small and medium-sized factories through participation in sharing events and learning from adaptable methods, with a goal of achieving sustained improvement rather than quick fixes to meet order requirements.

- Draw in non-brand factories by considering options such as introducing a proto-LABS certification (easier, cheaper and quicker than full LABS), which factories might pay for as a stepping stone to brand contracts. This proto-LABS certificate could be problematic as the LABS reputation needs to remain to a high standard, so this recommendation would have to be considered carefully.
- Implement various tracks or a rating system that allows factories to join at varying levels based on their safety capabilities.
- Promote the exchange of 'business cases' among factories to inspire and motivate.
- The willingness to engage hinges on factors like the brand sponsoring the initial audit cost.

9. *Increasing LABS' Coverage.* With its proven assessment model (and satisfied clients) and strong capacities amongst its staff and consultants, LABS should consider expanding into other industries (or countries), especially those utilizing large, subcontracted factories for brand supply.

   LABS currently focuses on safety within factory premises, overlooking potential risks in migrant workers' residential areas, especially in densely populated cities. Although it has initiated evaluations of dormitories within factory compounds, there is a critical gap in addressing living spaces outside these premises. In the short term, LABS should integrate practical safety practices for workers' living spaces into existing training programs, emphasizing risk identification and mitigation, given the potential application of LABS knowledge at home and in the community. Looking ahead in the long term, LABS should expand safety assessments to encompass both on-site and possibly off-site living accommodations. Collaborative efforts with organizations like International Organization for Migration (IOM) and International Labour Organisation (ILO) will enhance understanding and response, ensuring a sustained commitment to the overall well-being of workers.

Annex 1: LABS' Key Activities

During the assessment, the LABS partner inspection firm conducts an on-site assessment visit for a full day assessing elements of structure, electrical and fire safety in line with the LABS Methodology. The assessment also includes thermographic scans, fire hydrant checks, fire drills and concrete strength checks.

After the assessment, a detailed assessment report is generated. This report includes recommended actions, priority levels, timelines for issue remediation and assessment rating of the factory that is accessible to the LABS team, the factory and LABS brands that are sourcing from the factory. The assessments are subcontracted to different inspection firms. After the assessment, the LABS team ensures 100% remediation by carrying out the following steps: facilitating the preparation of corrective action plans and their subsequent sign-offs by the Inspection Firm, organizing quality assurance assessments (in 10% of factories assessed), LABS Factory Coordinators (FCs) conducting follow-up visits from to review remediation progress and guide factories on implementing effective safety management systems (SMS) and remediation. The factories are given timelines defined in LABS Standards to improve the safety issues that were found in the assessments. LABS FCs oversee the entire process; onboarding, assessment, remediation, CAP process, building safety management systems, CAP closures and graduation of the factories from the program.

Through the safety training, workers of the factories participating in the LABS program gain an understanding of types of hazards, fire and electrical safety and awareness, evacuation protocols, risk identification, severity assessment techniques, etc. The LABS program has subcontracted this to safety training firms, selected based on stringent criteria. Training quality is monitored by LABS FCs. Gender training with interlinkage to safety has also been recently initiated. Factories in their third year of the LABS program are given an additional refresher training session. This training amalgamates key elements from the first three training programs with a detailed factory tour on issue detection and remediation, and establishing safety management systems that will help the factory eventually graduate from the program.

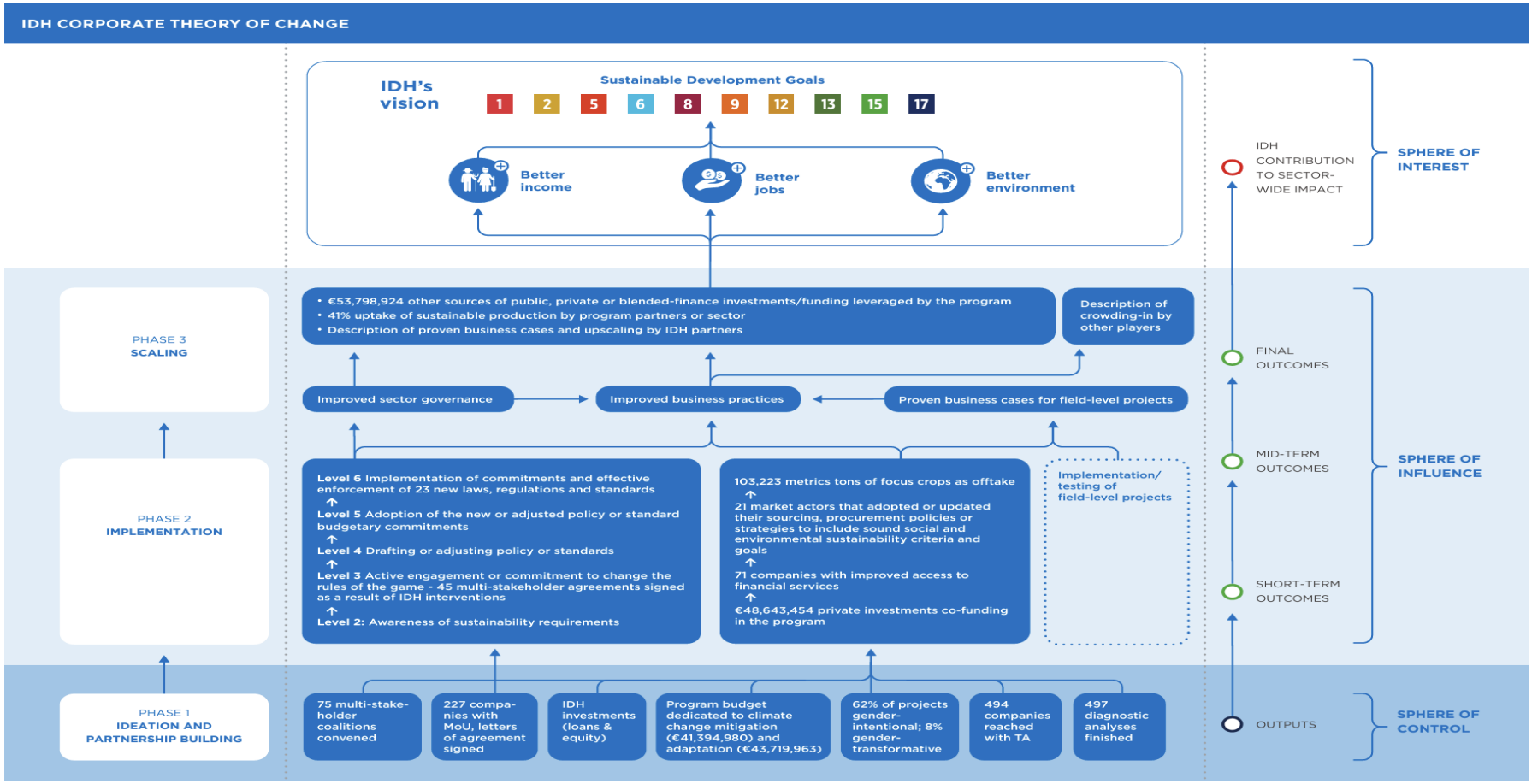
LABS has a toll-free helpline number for all workers of factories participating in the program. The helpline is free and gives workers a direct line to anonymously report any LABS or non-LABS-related safety concerns with direct access to assistance, if required. Since April 2023, the LABS team has monitored the helpline (prior to this, it was outsourced to external firms). Awareness of the workers helpline is created during safety training, and generally by factories and LABS FCs.

The National Stakeholder Committee (NSC) guides monitoring and institutionalizing the program at the country level. The NSC helps identify and address challenges and opportunities while promoting the importance of safety for workers and guides LABS towards working with the local government towards a harmonized, standard adaptation and incorporation into legislative policy and framework. LABS engages with key organizations in the operational countries in order to drive joint industry commitment to safety and embed long-term local/national ownership.

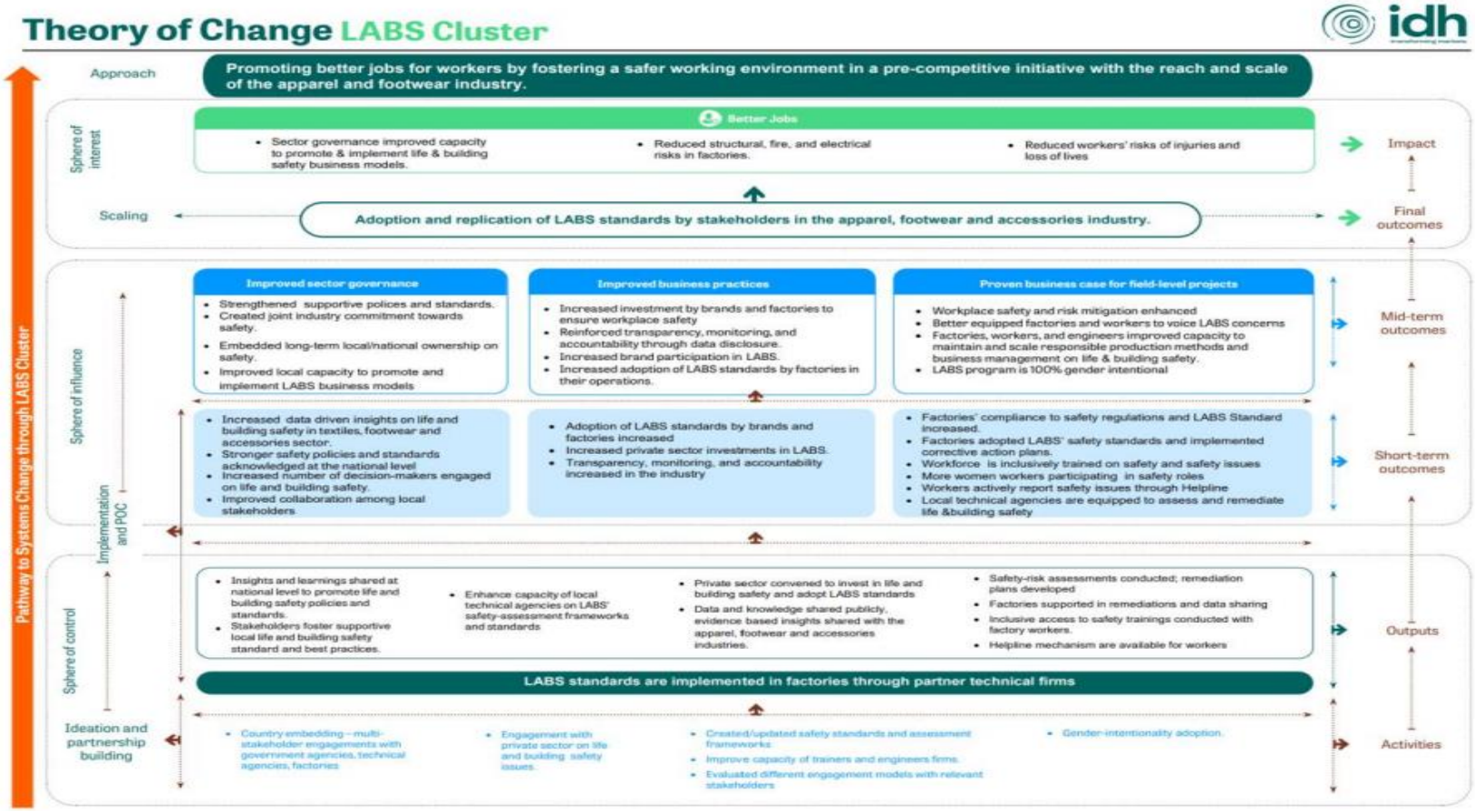
Annex 2: Fire Safety Issues Identified by LABS Vs. Vietnam Law

Issue Sub-type	Issues identified by LABS in Vietnam	What existing Vietnamese laws (QCVN 06:2020/BXD) said?
Fire Safety Construction	Incomplete separations of different occupancies: + The material storage at 1st floor, building A2 area was 4416m2 (53.9%) of total floor area and located beside office area 2106 m2(24%) where more than 50 occupants were working. However, the non-fire separation was using only. + Finishing goods storage at 2nd floor building A2 area was 3168m2 (37.8%) of total floor area and located beside the sample production lines but the none-fire rated separation was applied only. + The powder chemical storage at 2nd floor building A5 area was 3456m2 (40.9%) of total floor area and located beside grinding production area 1440m2 where more than 50 occupants were working. However, the fire rated separation was built incompletely	As per Article 4.5 of QCVN 06:2020/BXD, buildings and rooms of different functional fire hazards should be separated from each other by fire resistance component.
Means of Escape	Exit doors were not side-hung type: + The rolling doors were used as final exit doors in building A1, A2, A3, A5, A6, A7 + The sliding doors were use as internal exit door at building A2 (1st floor, 2nd floor); A5 (1st floor; 2nd floor); A6, A7 (2nd floor); Machinery house 2nd floor.	As per Article 3.2.3 of QCVN 06:2020/BXD, an exit shall not be considered as an evacuation exit if sliding, folding, rolling or revolving doors are situated on the exit.
Means of Escape	+ On the 1st floor of C3- Kitchen & Canteen, there were 5 exits available and suitable for the evacuation of the people assembly in the canteen area (around 3000 in total). However, the 5 exits had the total width of 8.75m, that width was efficient for 1750 workers only. + On the 2nd floor of Building C3- Kitchen & Canteen, there were 6 floor exits available and suitable for the evacuation of the people assembly in the canteen area (around 3600 in total). However, the 6 floor exits had the total width of 10.5m, that width was efficient for 2100 workers only. Also on the 2nd floor of Building C3- Kitchen & Canteen, there were 6 exits stair available and suitable for the evacuation of the people assembly in the canteen area (around 3600 in total). However, the 6 stair exits had the total width of 12.2m, that width was efficient for 1658 workers only.	According to Table G.5, the number of people that need to escape through the exit of 1 meter width shall depend on the fire resistance rate of the building and room's bulk. E.g., if a building has the fire resistance rate I (reinforced concrete structure, brick wall) and a room with the bulk of up to 5,000 m3 (or 165 people), and the canteen area has 3,000 people, the total width of the exit should be about 18.2m (=3000/165). For this investigated factory, the total width of 8.75m is enough for 1,450 people only (8.75x165 = ~1450). In case the room's bulk is >= 10 000 m3, the maxnumber of person per 1m width of the exit in room should be 275, then the total width should be 11m for 3,000 people (3,000/275 = ~11).

Annex 3: IDH Theory of Change



Annex 4: Labs Theory of Change



Annex 5: Data Collection Tools

https://drive.google.com/drive/folders/1GS23NaZv7mEkfeo7qcbXzIqCmG2VY06x

Annex 6: List of Respondents

A. Factory Respondents

https://docs.google.com/document/d/1-x2dViGZRtOyFXF4iyyAhdU_2_jvvhqfFxqbS8VmzIo/edit?usp=sharing

1. Vietnam

No.	Name of Factory	No. of Senior Staff	No. of Staff	No. of Worker
1	Regent Garment Factory Ltd	3	5	12
2	Eclat Textile Co Ltd (Vietnam)	3	5	9
3	Viet Pan Pacific Nam Dinh Co Ltd	4	3	10
4	South Asia Garments Ltd	2	6	5
5	Star Fashion Co Ltd	4	5	8
6	Phong Phu Long An Export Garment Factory	1	7	7
7	Poong In Vina Co Ltd	3	4	5
8	Crystal Martin (Vietnam) Co Ltd	6	4	5
9	Song Hong Garment Jsc Factory 7,8,9,10	2	5	10
10	Starite International Vietnam Ltd (Dong Nai)	3	3	7

2. Cambodia

No.	Name of Factory	No. of Senior Staff	No. of Staff	No. of Worker
1	Yakjin (Cambodia) Inc.	4	4	6
2	E Garment (Cambodia) Co.,ltd	2	3	6
3	Sun Grace Sports (Cambodia) Co,. Ltd	3	3	10
4	Shoe Premier II (Cambodia) Co., Ltd.	4	6	4
5	NEX-T APPAREL (CAMBODIA) CO., LTD.	3	4	6
6	Yi DA Manufacturer CO.LTD	2	3	7
7	Makalot Garments (Cambodia) Co., Ltd.	5	6	4
8	PONTUS FOOTWEAR.LTD	5	8	8
9	TAE Young Cambodia co, .LTD	2	3	7
10	WINCAM Corporation	1	3	8

3. India

No.	Name of Factory	No. of Senior Staff	No. of Staff	No. of Worker
1	AHP APPAREL PVT LTD., UNIT - 45	2	5	10
2	FANCY FASHIONS	3	4	10
3	GOKALDAS EXPORTS LTD	2	7	10
4	Indian Designs Exports Pvt Ltd	3	3	10
5	JAK GROUP PRIVATE LIMITED	2	5	10
6	MATRIX CLOTHING PVT LTD	2	5	10
7	Pearl Global Industries Limited	2	4	10
8	Shahi Exports Pvt. Ltd.	2	8	10
9	SHAHI EXPORTS PVT LTD	2	5	10
10	Texport Industries Pvt Ltd Unit-04	2	6	10

B. KII Respondents

No.	Organization	Name of Respondent	Title
1	QIMA	Bowen Shi	Construction Audit Manager, QIMA
2	ELEVATE	Arindama Banerjee	Associate Director- Client Services/Responsible Sourcing, ELEVATE Global
3	Intertek India Private Limited	Kunal Saxena	Inspection Engineer, Intertek
4	Swati Structure Solutions Private Limited, India	Shubham Ojha	Director, Swati Structure Solutions Private Limited
5	Phap Duyen Construction Design Co, Ltd.	Tran Van Phuc	Director, Phap Duyen Construction Design Co, Ltd.
6		Hoai (Ms.)	Training Instructor for LABS training program
7		Thien (Mr.)	Training Instructor for LABS training program
8	Bureau Veritas Vietnam Limited	Le Hong Ngoc	Deputy OPEX Manager - I&F, Bureau Veritas Consumer Products Services Vietnam
9	Bureau Veritas India Private Limited	Ajay Jaiswal	HSE Manager, Bureau Veritas India Pvt Ltd
10	Bureau Veritas (Cambodia) Limited	Satya Kang	Operation Manager, Bureau Veritas (Cambodia) Limited
11	Vietnam Work Safety Service (WSS)	Bui Trong Nhan	CEO, Vietnam Work Safety Service (WSS)
12	Ministry of Textiles (India)	Rita Menon	(National Stakeholder Committee member) Secretary (Retired), Ministry of Textiles
13	National Safety Council of India, Ministry of Labour and Employment	Lalit Gabhane	(National Stakeholder Committee member) Director General, NSC
14	Vietnam Institute for Building Science & Technology (IBST) of Ministry of Construction (MoC)	Dr. Hoang Anh Giang	(National Stakeholder Committee member) Deputy Director, Institute of Building Structures, Vietnam Institute for Building

No.	Organization	Name of Respondent	Title
			Science and Technology (IBST)/Ministry of Construction
15	Vietnam Textile and Apparel Association (VITAS)	Nguyen Thi Tuyet Mai	(National Stakeholder Committee member) Vice General Secretary, VITAS
16	Vietnam Leather, Footwear and Handbag Association (LEFASO)	Duong Phong Hoa	(National Stakeholder Committee member) Deputy Director, LEFASO Institute of Innovation and Technology
17	Better Work Vietnam (BWV)	Pham Thi Hoang Lien	(National Stakeholder Committee member) National Operations Manager, BWV
18		Nguyen Dung Tien	Corporate Advisory Team Leader, BWV
19	Cambodian Garment Training Institute (CGTI)	Andrew Tey	(National Stakeholder Committee member) Center Director, CGTI
20	Dept. of Occupational Safety & Health (Ministry of Labor & Vocational Training - MOLVT)	H.E.Dr. Leng Tong	Director of OSH Department
21		Dr. Youth Sokpheara	Chief of ASEAN-OSHNET, Dept. of OSH
22	Better Factories Cambodia (BFC)	Sara Park	(National Stakeholder Committee member) Program Manager, BFC
23	GAP Inc	Kapil Mathur	(Steering Committee member,) Director - Supplier Sustainability South Asia and EMEA, GAP Inc.
24	Target	Julie Nguyen	Director - Responsible Sourcing, Target
25	VF Corporation	Kyle Bogler	(Steering Committee member, Senior Director - Safe and Sustainable Operations – Global Responsible Sourcing, VF
26	Walmart Inc	Kristen Albertson	Steering Committee Member, Vice President of Global Responsible Sourcing, Walmart Inc
27		Cristy Martin	Senior Manager II of Responsible Sourcing, Walmart Inc

C. IDH/LABS Team

No.	Name	Title
1	Preity Khandelwal	M&E Advisor, Textiles & Manufacturing, IDH
2	Abhishek Singh	LABS Program Manager - Quality, LABS
3	Sarobindo Malhotra	Global Program Lead, LABS
4	Hang Phan	Country Manager, LABS Vietnam
5	Madhu KA	Country Manager, LABS India
6	Emerald Am	Country Manager, LABS Cambodia
7	Tien Minh Le	Program Manager, LABS Vietnam
8	Ankith Hegde	Program Manager, LABS India
9	Son Ngo	Assistant Manager, LABS Vietnam

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C. Website

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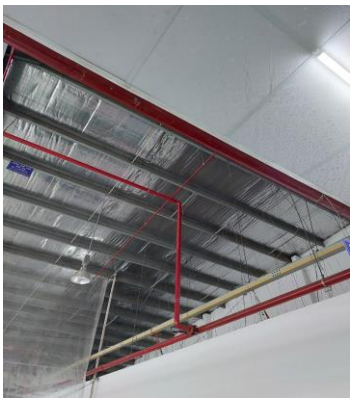
Annex 8: Photos at Factories

A. In Vietnam

1. Remediation for Rack Shelves and Fire-Fighting Systems





Left: 27 Oct, 2023 – Factory warehouse shelves in Northern Vietnam were modified to exceed LABS standards. Each shelf now stores 3 stacks instead of 2, with a fire-prevention distance between them.

Center: 21 Nov, 2023 – A factory warehouse in Southern Vietnam has shelves with in-rack cases added according to LABS standards. The racks now have gaps to allow water drainage and reduce fire risks.

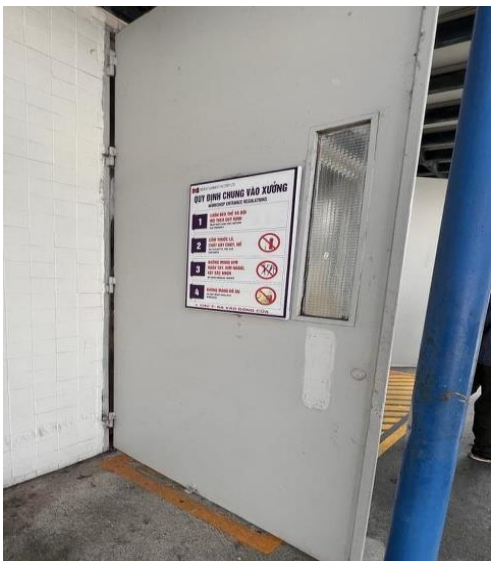
Right: 21 Nov, 2023 – Overhead view of a fire sprinkler system installation at one of workshops of a factory in Southern Vietnam, with red piping designed to activate and douse the area in the event of a fire.

2. Remediated workshop: Escape Path and Emergency Sign


Left: 7 Nov, 2023 – Shopfloor of a factory in Northern Vietnam. The escape path is now well ventilated and no objects should be placed on the escape path.

Right: 9 Nov, 2023 - Inside a workshop at a factory in Southern Vietnam, where overhead Exit signages are now installed at each sewing line in the shopfloor following LABS program recommendations.

3. Remediated Evacuation Door and Emergency Light



Left: 27 Oct, 2023 – evacuation door handle of a factory in Northern Vietnam. The photo shows marks of a removed door handle to ensure evacuation route is not blocked during an emergency.

Right: 8 Nov, 2023 – In a workshop located in Southern Vietnam, there is an evacuation door with an "Exit" sign above it. The door has a push bar installed to ensure a smooth evacuation in case of an emergency. To make it easier for workers to locate the exit during an emergency, a light has been added to the emergency sign.

4. Remediated Electrical Panel and Electric Cabinet

Left: 8 Nov, 2023 – A detailed view of an electrical panel with circuit breakers, neatly organized wiring, and safety labels, indicating a well-maintained and systematically arranged power distribution system. This setup ensures efficient electrical flow and safe operation within the facility.

Center: 9 Nov, 2023 - At a factory in Southern Vietnam. A close-up of the side of an electrical cabinet showcasing the grounding connection and lockout mechanism as part of its safety features.

Right: 8 Nov, 2023 – At a factory in Southern Vietnam. At a factory in Southern Vietnam. Electrical cabinet contains grounding bus bar and wires with insulating tape applied for safety.

Left: 9 Nov, 2023 - At a factory in Southern Vietnam. This well-maintained electrical cabinet has silicone sealant adhesive for sealing, grounding wires for safety, and the panel thermometer for temperature monitoring. The clear safety warnings suggest that the workshop follows strict safety protocols.

Right: 8 Nov, 2023 – At a factory in Southern Vietnam. The entrance to an electrical room in the workshop, featuring the installment of electric insulating mats to ensure safe footing for workers.

5. Remediated Structure

Left: 27 Oct, 2023 – a structural beam, at a factory in Northern Vietnam. The pattern and the colours at the bottom of the beam have been changed to comply to LABS safety standards. There is also now a blue line on the floor to mark safe distance from the beam for workers when moving products.

Right: 8 Nov, 2023 – A concrete stairway in a factory workshop in Southern Vietnam has been adjusted to meet LABS program standards. Previously, the ramps did not meet the running slope requirement of LABS standard Cl 6.11.2. The slope has been modified and the stairs are now clearly marked to ensure safe and swift exit during emergencies.

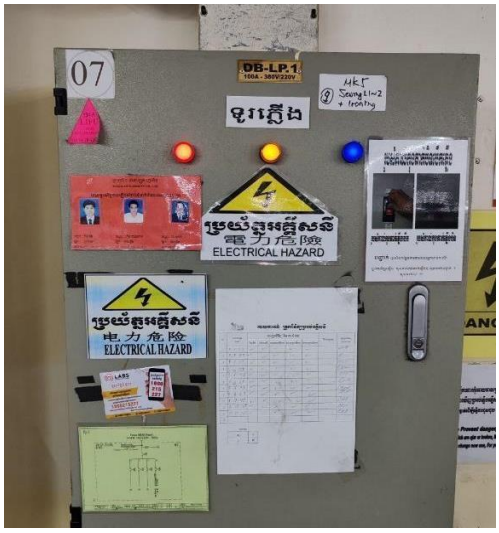
B. In Cambodia

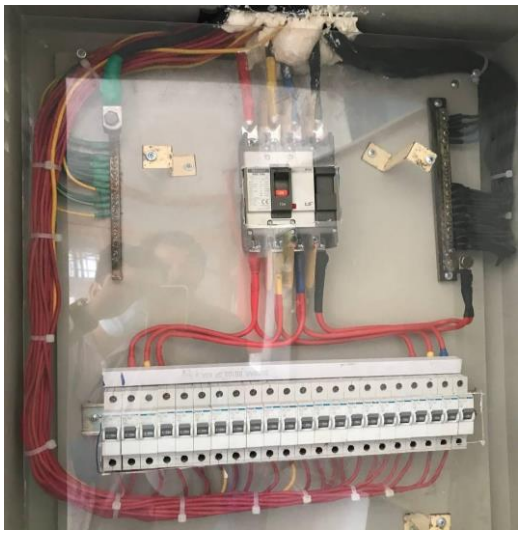
1. Remediated Workshop: Fire Extinguishers and Emergency Sign:

Left: 7 Nov, 2023 – A fire extinguisher is mounted on a column in a garment factory with a clear sign above it to enhance visibility and accessibility in case of a fire emergency. Safety guidelines and contact information for managers or technicians are also provided.

Right: 14 Nov, 2023 – An illuminated exit sign and emergency lights installed above safety procedure guidelines ensure clear visibility and guidance for safe evacuation during power outages or emergency situations.

2. Remediated Electrical Panel and Electrical Cabinet





Left: 13 Nov, 2023 - An electrical panel featuring multiple warning signs and indicators, including LABS Helpline Information, a checklist, and contacting information from technicians, to ensure proper monitoring and hazard awareness.

Right: 10 Nov, 2023 – A well-organized electrical panel with circuit breakers, neat wiring, and safety labels that indicate a systematically arranged power distribution system.

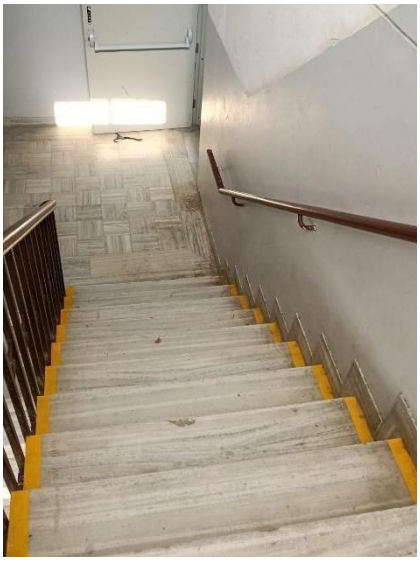
3. Remediated Fire Response Station: Fire Host and Fire Hydrant Cabinet

Left: 17 Nov, 2023 – Inside the Fire Hose box, equipped with firefighting tools like fire control pipes and sprinkler heads, and instructions in Khmer and Chinese.

Right: 3 Nov, 2023 – A well-signposted fire hydrant cabinet with clear instructions and a cautionary notice, reinforcing the facility's readiness for fire emergencies and adherence to international safety standards.

C. In India

1. Remediated workshop: escape path



Left: 7 Nov, 2023 - In India Designs factory shop floor in southern India, the escape path is now well-ventilated. No objects should be placed on the escape path. Designated spots are available for boxes of material.

Right: 7 Nov 2023 - The stairwell of a factory in Northern India, with newly added railing signs on both sides of the staircase, marking the escape path clearly. This safety improvement is part of the remediation efforts to remove obstructions caused by a previously improperly opening door, ensuring an unimpeded exit during emergencies.

2. Remediated Evacuation Door

8 Nov, 2023 – The back of the evacuation door in a workshop of a factory in Southern India. The photo shows a push bar installed on the evacuation door to ensure a smooth evacuation process during an emergency.

3. Remediated Electrical Panel and Electrical Cabinet

Left: 6 Nov, 2023 – In the electrical room of a factory in Southern India, electrical panels and cabinets are now properly identified with safety signs and specific instructions.

Right: 6 Nov, 2023 – In the electrical room of a factory in Southern India, electrical wiring and cables are now properly identified with labels.