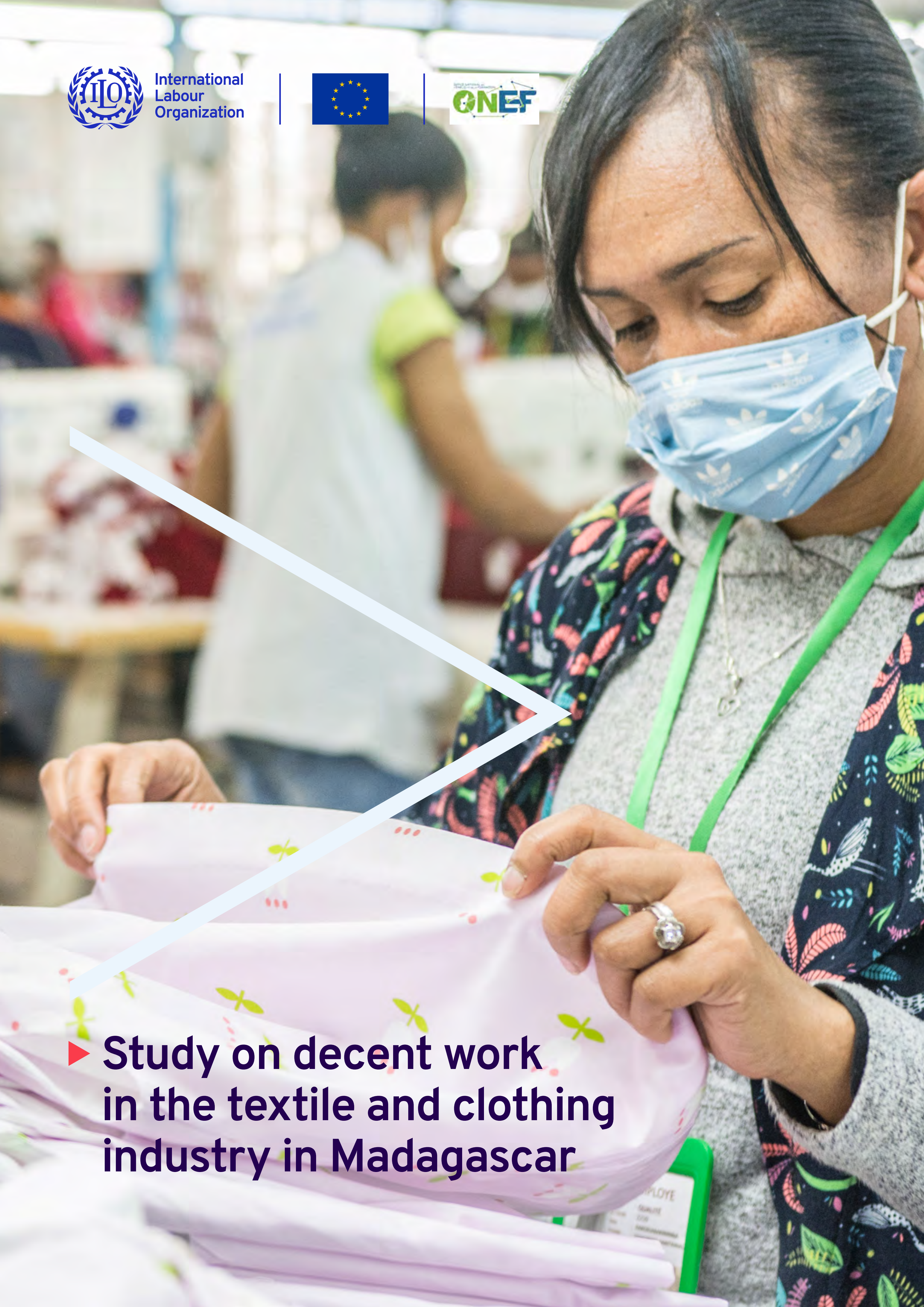

Study on decent work in the textile and clothing industry in Madagascar

Study on decent work in the textile and clothing industry in Madagascar

International Labour Organization (ILO)

Sectoral Policies Department, Geneva (SECTOR)

Country Office for Madagascar, Comoros, Mauritius and the Seychelles (CO-Antananarivo)

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Preface

The International Labour Organization (ILO) is the specialized United Nations body tasked with promoting possibilities for women and men to obtain decent and productive work in conditions of freedom, equality, safety and human dignity.

The Sectoral Policies Department (SECTOR) of the ILO promotes decent work by supporting the Organization's tripartite constituents, namely the representatives of employers, workers and governments, to create opportunities and resolve challenges in 22 economic and social sectors at global, regional and national level. The ILO Office in Antananarivo covers activities in four countries: Madagascar, Comoros, Mauritius and the Seychelles.

This research is the result of an ILO cooperation and development project entitled Sustainable Supply Chains to Build Forward Better (SSCBFB), in the aftermath of the COVID-19 crisis. The project is a joint initiative between the ILO and the European Commission which aims to promote decent work in five selected global supply chains. Three other ILO projects in Madagascar have contributed to this research: the Vision Zero Fund (VZF) which has been in place since 2019, the Trade for Decent Work project (2021) and the Better Work programme (2021).

The textile and clothing supply chain in Madagascar embraces cotton cultivation and its processing and the manufacture and distribution of garments and textile products. The latter are intended mainly for export and account for 19.35 per cent of the country's gross domestic product (GDP) as well as 7 per cent of foreign direct investment (FDI). Madagascar is second in sub-Saharan Africa for textile exports and its largest market is the European Union. The textile and clothing sector provides the country with some 180,000 formal jobs. The COVID-19 pandemic disrupted the textile supply chain in Madagascar, bringing job losses and jeopardizing decent working conditions.

This research focuses in depth on the opportunities and challenges facing decent work in the textiles and clothing supply chain in Madagascar, on the basis of qualitative and quantitative surveys carried out with employers, workers and representatives of the Malagasy Government. It complements previous ILO research into the textile and clothing sector and aims to increase understanding by examining the impacts of COVID-19 on that supply chain and to help the stakeholders provide strategic guidance for the sector in Madagascar.

This document is an ILO publication produced with assistance from Madagascar's National Office for Employment and Training (ONEF), which conducted the surveys whose results are analysed in the chapters that follow. Equipped with these results and with ILO support, the constituents and key stakeholders involved in Madagascar's textile and clothing sector will be in a position to take action designed to boost decent work opportunities while minimizing the related challenges. The study was written at the ILO by Francine Ndong with guidance from us and from Casper N. Edmonds and Beatriz Cunha. Noémie Razafimandimby, Kassiyet Tulegenova, David Dorkenoo, Gary Rynhart, Bernard Foe Andegue, Nikita Grabher-Meyer and Anne-Laure Henry-Greard contributed comments. The collection of data was supervised by Hery Liva Ranaivomanana.

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Contents

Tables

Figures

Acronyms and initialisms

AGOA	African Growth and Opportunity Act
AMIT	Inter-enterprise Medical Association of Antananarivo
ITC	International Trade Centre
CENAM	Centre National de L'Artisanat Malagasy (National Centre for the Craft Industry)
CNaPS	National Social Security Fund
CNT	National Labour Council
CTM	Confederation of Malagasy Workers
EDBM	Economic Development Board of Madagascar
EFOI	Entreprendre au féminin Océan Indien
US$	United States dollars
FISEMA	General Federation of Workers' Trade Unions of Madagascar
FISEMARE	Trade Union Confederation of Malagasy Revolutionary Workers
FIVMPAMA	Fivondronan'ny Mpandraharaha Malagasy (Association of Malagasy Employers)
GEFP	Madagascar Export Processing Companies and Partners Association
GFEM	Groupement des Femmes Entrepreneurs de Madagascar
FDI	foreign direct investment
IFC	International Finance Corporation
INSTAT	National Institute of Statistics
KFBMH	Koperativa Fikambanam-Ben'ny Mpamboly Hasy (KFBMH Cooperative)
LFI	Finance Act
MSME	micro, small and medium-sized enterprises
ILO	International Labour Organization
WTO	World Trade Organization
ONEF	National Office for Employment and Training
OSTIE	Antananarivo Inter-enterprise Health Organization
GDP	gross domestic product
SECTOR	Sectoral Policies Department (ILO)
SEKRIMA	Christian Confederation of Malagasy Trade Unions
SIM	Madagascar Union of Industries
SME	minimum wage
SMT	occupational health service(s)
OSH	occupational safety and health
UE	European Union
VZF	Vision Zero Fund
EPZ	export processing zone (zone franche)

1. Introduction

Introduction

1.1. Context

The textile and clothing industry is Madagascar's main manufacturing sector and its largest employer of workers after agriculture. It accounts for 19.35 per cent of national GDP, holding a prominent place in the Malagasy economy[1], and 7 per cent of foreign direct investment (FDI).[2] It is estimated that the industry's supply chain provides some 180,000 jobs per year, of which 110,000 are with export-oriented manufacturing enterprises.[3] The country's textile exports increased consistently during the years immediately before the COVID crisis, accounting for 25 per cent of total national exports in 2018.[4] According to the World Bank, "exports of garments and textiles increased from 129 million nominal dollars in 1995 to 681 million nominal dollars in 2018".[5] The sector maintains a competitive participation rate in global value chains, and is also well integrated into regional supply chains, particularly in Mauritius.

The European Union (EU) consumed textiles and clothing to an estimated value of 520 billion euros in 2018.[6] In sub-Saharan Africa, Madagascar is the top country for textile exports to the EU, and in third place for exports to the United States.[7] Almost 69 per cent of all textile products from Madagascar were exported to the EU zone in 2016.[8] The main customer base for the Malagasy export processing zones (EPZs) comprises major European and American brands, including mass retailers. The garments and knitwear exported from Madagascar go mainly to Germany (33.2 %), France (7.5 %), Spain (4.7 %) and the Netherlands (3.3 %), among others.[9] Together with five countries of eastern and southern Africa, Madagascar has signed an interim economic partnership agreement with the EU aimed at facilitating trade relations and focusing on investment.[10] The agreement was officially ratified by the two parties in 2013 and amended in 2020. Madagascar was also reinstated into the African Growth and Opportunity Act (AGOA) in 2014. Regarding other world regions, it is notable that Madagascar's exports to the United States exceeded US$ 118 million in 2021.[11]

1 EDBM (Economic Development Board of Madagascar), Des doigts de fées à Madagascar [Nimble fingers in Madagascar], 7 July 2021.

2 EDBM, Yearbook, Economic report – Madagascar 2021: l'émergence malagasy [Madagascar's emergence].

3 ILO, Drivers and constraints for OSH improvement in the textile supply chain from Madagascar: A case study, OIT/VZF, 2020; ITA (International Trade Administration), "Textile and Apparel", Madagascar – Country Commercial Guide, 17 October 2021.

4 ILO, "Improving health and safety in the lychee and textile supply chains in Madagascar – A Vision Zero Fund project"

5 IFC (International Finance Corporation), Country private sector diagnostic – Creating markets in Madagascar: For inclusive growth, December 2021.

6 Euratex (The European Apparel and Textile Confederation), Annual Report 2018.

7 ITA, Textile and Apparel.

8 EDBM, Le textile malgache: des atouts en trame de fond, du fil à retordre pour les concurrents [Malagasy textiles: underlying assets, problems for competitors] Newsletter, August 2017.

9 East Africa Trade and Investment Hub, "Made in Madagascar – Creating jobs through AGOA exports and helping U.S. businesses source the products their customers demand", In *Madagascar Garments*, 14 November 2018.

10 See https://trade.ec.europa.eu/access-to-markets/fr/content/epa-eastern-and-southern-africa.

11 AGOA, Madagascar country profile (consulted in July 2022).

However, there are several decent work challenges in Madagascar's textile and clothing industry, including wage inequalities, conflicts in certain working relations, informal employment, discrimination, violence and harassment – especially against women – late working hours, and unpaid overtime.

The upheaval created by the COVID-19 pandemic affected the global textile industry in particular, with customers obliged to stay at home and factories having to close in order to minimize infections among their workers. After years of growth, the fashion industry experienced a 20 per cent drop in income in 2019-20.[12] Europe was unable to regain its former sales levels in the ready-made garment sector until 2022.[13] As in other producer countries, the Malagasy textile industry was faced with a number of problems. In 2020, the crisis led to a potential profit loss of more than 52.4 million euros from the country's textile and clothing industry, and the jobs of almost 150,000 workers were under threat.[14]

The crisis induced by the pandemic exacerbated certain decent work deficits. Since joining the ILO in 1960, Madagascar has ratified 47 ILO Conventions, including the eight fundamental Conventions and the four governance (priority) Conventions.[15] However, their effective application is conditional on their integration into national legislation, which has not yet been achieved, on their provisions being applied universally by the courts in the event of labour disputes, and on wide-scale dissemination of the instruments and the rights and obligations deriving from them. The types of safeguards available through the application of the Labour Code and the instruments guaranteeing labour rights do not concern workers in the informal economy, who represent 80 per cent of the active workforce. Since women and children are the most numerous in the informal sector, this state of affairs only makes them even more vulnerable and exposes them to greater economic and social risk. Where child labour is concerned, some progress was made in the form of the adoption of the national plan of action to tackle child labour for the period 2004-2019. However, even greater challenges remain in this area.[16]

Building on these achievements, Madagascar is well placed to improve conditions for workers, in particular those in the textile and clothing industry. The country has been working to improve its human and labour rights environment by fostering skills development and social dialogue, raising awareness of violence and harassment and advocating for non-discrimination and fairer wage distribution. Since women form the majority of the workforce in the textile and clothing sector, the constituents and stakeholders have the possibility to contribute towards extending gender equality beyond the sector.

12 McKinsey & Co. "State of Fashion 2022: An uneven recovery and new frontiers", 1 December 2021.

13 BOF (The Business of Fashion) and McKinsey & Co. The State of Fashion 2022.

14 Justine, "Madagascar: environ 62 millions de dollars de manque à gagner pour l'industrie textile" [Madagascar: around 62 million dollars in lost revenue for the textile industry], French.China.org.cn, 30 April 2020.

15 ILO, Normlex, Ratifications for Madagascar.

16 OHCHR (Office of the UN High Commissioner for Human Rights), In Madagascar, "A lot has been done, but enormous challenges have still to be faced before the rights of Malagasy children are upheld" stresses an expert from the Children's Rights Committee" , Press release, 4 February 2022.

1.2. Objective

In the framework of the project on "Sustainable supply chains to build forward better", concerned with the textile and clothing sector in the aftermath of the COVID-19 crisis and funded by the European Commission and the ILO, a study was commissioned which focused mainly on decent work throughout the supply chain linked to the EU.

With support from the ILO Sectoral Policies Department in Geneva and the ILO Country Office for Madagascar, Comoros, Mauritius and the Seychelles, the National Office for Employment and Training (ONEF) conducted in-depth qualitative and quantitative research into the challenges and opportunities affecting decent work in the textile and garment supply chain in Madagascar. The results of the surveys conducted were then analysed by the ILO.

Preliminary discussions held with the key stakeholders in the Malagasy textile and clothing industry helped to identify the main issues to be addressed in the study. These are:

- The measures and policies needed to create an environment that fosters sustainable enterprises in the industry, increases productivity and guarantees decent work;
- The levels of informal employment throughout the supply chain;
- Social protection for all workers in the supply chain;
- The challenges and opportunities encountered by small, medium and large enterprises in the textile and clothing industry in Madagascar; and
- Future skills requirements in light of the main drivers and major trends identified by the ILO (technological advances, globalization, democratic shifts and climate change) and of the crisis brought about by the COVID-19 pandemic.

Particular attention was devoted to the situation of women and youth in the supply chain, with a view to identifying specific measures to promote their full integration into the industry.

1.3. Methodology

The methodology adopted for this study included:

1. A document review which made it possible to:
   a. compile the actions and initiatives taken in the textile sector in Madagascar by various actors, including the reports and key strategic documents developed over the previous five years;
   b. identify the institutions of governance, laws and national policies underpinning the sector's structure;

2. The use of qualitative and quantitative research methods which:
   a. facilitated the collection of primary data through surveys, interviews and observations at national and international level among workers and groups of workers, enterprises and groups of enterprises operating in the sector, national public institutions and regulatory bodies and other key stakeholders in the Malagasy textile and clothing sector. In all, the ONEF approached 502 workers and 53 enterprises located in three production zones and 30 towns in Madagascar for the quantitative survey (see annexes). The surveys targeted small and large cotton plantations, ginning factories, small and medium producers, spinning and weaving factories, own-account workers, family enterprises, EPZ and non-EPZ enterprises, and others. For the qualitative survey, 17 national organizations and 15 international brands were contacted. The national organizations included trade unions, employers' organizations and government agencies (see list in annex 8.2.2.);
   b. enabled the mapping and analysis of the textile and garment value and supply chains in Madagascar, including the key stakeholders;
   c. enabled an overview of the challenges and opportunities for decent work in the textile and clothing industry in Madagascar, especially on issues related to working conditions, social security, occupational safety and health, gender equality and discrimination in the workplace, vocational training, staff representation and collective agreements, levels of pay, the impact of COVID-19 on the supply chain from Madagascar, child labour, forced labour and workers' career paths.
   d. facilitated understanding of the domestic and external landscape and the constants and variables in the textile and clothing supply chain.
3. A consultation workshop with the key stakeholders in Madagascar to gather their opinions and recommendations on the actions needed to relaunch the textile and clothing supply chain so that it becomes more stable, resilient and fair in the aftermath of the COVID-19 crisis.

1.4. Presentation of results

In order to give structure to the research, the results of the study are presented as follows:

- First, **Chapter 2** focuses on a presentation of the institutional setting and regulatory framework pertaining to the textile and clothing sector in Madagascar;
- **Chapter 3** then presents an analysis of the textile and garment supply chain in Madagascar,
- **Chapter 4** outlines the situation regarding decent work and productivity, with reference to the four pillars of the ILO Decent Work Agenda (jobs, social protection, labour rights and social dialogue);
- **Chapter 5** focuses on the impact of COVID-19 on the supply chain;
- Last, **Chapter 6** offers recommendations for the tripartite constituents, based on the discussions from a workshop held in hybrid format in December 2021 to validate the preliminary results of this study, with most participants being ILO constituents attending in person in Antananarivo.

2.

Institutions of governance, legislations and national policies

Institutions of governance, legislations and national policies

2.1. Institutional framework

A study conducted by the ILO in the context of the VZF project and focusing on the textile and garment supply chain in Madagascar[17] reveals an institutional environment characterized by multiple actors and close collaboration between public and private stakeholders.

2.1.1. Employers' organizations

The active social partner institutions in the textile supply chain in Madagascar are:

- Groups of enterprises, such as the Madagascar Union of Industries (SIM)[18];
- Madagascar Export Processing Companies and Partners Association (GEFP);
- The Madagascar Chamber of Commerce (GEM);
- Entreprendre au féminin Océan Indien [Indian Ocean Women Entrepreneurs] (EFOI);
- Groupement des femmes entrepreneurs de Madagascar [Madagascar Chamber of Women Entrepreneurs] (GFEM).

2.1.2. Workers' organizations

Workers' interests are addressed by the Confederation of Malagasy Workers (CTM), the most representative legally constituted trade union group. It brings together several worker trade unions including FISEMA (SEMPIZOF), SEKRIMA, FISEMARE, and others.

2.1.3. Governmental institutions and partners

The cotton industry is overseen by the Ministry of Agriculture, with operational and territorial support from the Inter-ministerial Committee for Cotton and the Inter-professional Cotton Council. The Ministry supervises cotton cultivation and controls the use of insecticides and pesticides.

17 ILO, Drivers and constraints for OSH improvement in the textile supply chain from Madagascar: A case study, OIT/VZF, 2020.

18 Website of the Madagascar Union of Industries (consulted in July 2022).

The Ministry for Industry and Trade licences the EPZ enterprises and the Ministry for Trade and Consumer Affairs is the competent authority on export matters for export-oriented manufacturers. The labour institutions and labour administration provide cross-cutting support for the supply chain. The Ministry for Labour, Employment, the Civil Service and Social Legislation acts as the guarantor for the monitoring and application of labour legislation.

The National Social Security Fund (CNaPS) is the institution responsible for providing benefits and entitlements relating to occupational accidents, illnesses and/or disabilities, and for reimbursing the costs of treatment, functional rehabilitation and vocational retraining and casualty redeployment. The occupational health services (SMTs) found in the main cotton plantation zones and the industrial areas provide medical care for workers in ginning enterprises. In Antsirabe and Antananarivo, various SMTs supply services to affiliated enterprises.

The Economic Development Board of Madagascar (EDBM) is the public body tasked with approving investment projects and promoting and developing investment in Madagascar. It plays the role of facilitator and promoter and, as part of its mission, acts as the catalyst for exchanges among stakeholders, particularly in the textile industry, which is acknowledged as a key sector in the Malagasy economy.[19]

With regard to social dialogue, the Labour Code establishes the National Labour Council (CNT), whose tasks, powers and membership are established by decree. This tripartite body intervenes downstream of a dialogue process in order to validate proposed laws or regulations affecting the world of work. However, some actors bemoan the lack of a framework to regulate its technical discussions, which are often compromised by lobbying outside the tripartite framework.

In addition, a platform for public-private dialogue was set up by decree in 2015.[20] This body includes a steering group headed by the President of the Republic and a secretariat maintained by the EDBM. The platform plays an advisory, decision-making and monitoring role in defining the business climate and in arbitrating disputes between steering group members. Although its existence helps to improve the consultations on the business climate, it is not tripartite.

Many partners and multilateral agencies lend technical and financial support to the textile and clothing sector in Madagascar, including the ILO, the World Bank, the French Development Agency, and others.

19 EDBM, Malagasy textiles.

20 Decree No. 2015-915 establishing the Platform for Public-Private Dialogue.

2.2. Legislation relating to the textile industry and trade in its products

2.2.1. Legislation relating to the cotton industry

With support from the World Bank through its Integrated Growth Poles project, an Inter-ministerial Committee for Cotton was established, and in 2016 inter-ministerial decree No. 20208/2016 on the organization of the cotton industry in the Atsimo Andrefana region was adopted.

The Committee, comprising the Ministry for Agriculture and Stockbreeding, the Ministry for the Economy and the Plan and the Ministry for Industrialization, Trade and Consumer Affairs, is a decision-making body which regulates the cotton industry by granting, suspending and withdrawing licences and by monitoring and supervising the cotton harvest. In this context, it is supported by the Inter-professional Cotton Council for the Atsimo Andrefana region, whose membership comprises boards of producers, transporters and operators. The Council assures regular monitoring and oversight of the industry, issues opinions, and reports to the Inter-ministerial Committee which then takes the necessary measures.

2.2.2. Tax and customs provisions under the law governing export processing zones and enterprises

The export processing zones (EPZ) and enterprises therein which operate in the textile and clothing sector are governed by Law No. 2007 037 of 14 January 2008.[21] This stipulates that the EDBM is responsible for issuing EPZ licences.

The same law grants fiscal benefits (exemption from taxes and duties) to EPZs for a fixed term[22] and authorizes all monetary transactions with banking institutions both within and outside the country. In respect of customs, the EPZs benefit from favourable trading terms and enjoy simplified procedures for their import and export operations.

21 Out of the 101 enterprises registered in the industrial free zones of Madagascar, 12 are Chinese-owned and eight were founded in the past seven years, indicating a shift in garment production towards low-income countries such as Madagascar. Source: IFC, Country Private Sector Diagnostic.

22 Article 6 (1) of Law No. 2007-037 states: "Export processing zones shall be exempt from corporation tax and shall be subject to minimum taxation for the first fifteen (15) financial years, beginning from the financial year in which they commenced actual operations. EPZ industrial processing enterprises and those engaged in large-scale basic production shall receive the same exemptions for the first five (5) financial years, beginning from the financial year in which they commenced actual operations. EPZ service enterprises shall receive the same exemptions for the first two (2) financial years beginning from the financial year in which they commenced actual operations".

The budget guidelines for the Finance Act of 2022 contained amendments to certain fiscal provisions contained in Law No. 2007-037. These mainly concerned the removal of tax advantages, including:

- A reduction of the period of tax exemption on the profits of newly formed EPZ enterprises at the start of their operations, to one, three and ten years, according to the type of enterprise, instead of the two, five and 15 years previously stipulated in Law No. 2007-037;
- The lowering of the rate of reduction on investment tax, from 75 per cent to 25 per cent;
- The limitation of the stability guarantee to a specific time frame.

The removal of these tax benefits represents an estimated monetary value of 22.5 billion ariary (approx. 51.75 million euros). From the viewpoint of the GEFP, as expressed by its chairman in the media, the amendments planned under the 2022 Finance Act threaten the sustainability of EPZ enterprises that provide at least 150,000 jobs, which together constitute 40 per cent of the contributors to the CNaPS. The GEFP has proposed that a new instrument on EPZ enterprises should be drafted containing either transitional measures or a new scheme.[23]

The qualitative survey carried out under this study identified some of the key features of the legislative framework in Madagascar. The representatives of the governmental institutions and enterprises who were interviewed welcomed the existence of a law regulating EPZ activities. It ensures a certain stability in the EPZs as well as d administrative control over compliance. This regulatory framework also facilitates the creation of enterprises and the promotion of investment by the EDBM.

Some EPZ enterprises have expressed their concerns. On the one hand, these relate to the lowering of the rate of reduction on investment taxes, which would constitute an additional cost for enterprises and negatively affect their operating results, given that these enterprises cannot suddenly increase their selling prices. The burden resulting from the amendment of certain provisions of the law governing EPZ enterprises, and the resulting impact on workers, is regarded as a threat to the stability of the textile and clothing sector. On the other hand, the enterprises interviewed for the survey mentioned that there was insufficient dialogue between the Government and the private sector on the subject of implementing the legislation and that little scope was being offered to amend certain of the law's provisions. The 2022 Finance Act fails to specify whether the above-mentioned new provisions concern enterprises which make new investments or those whose exemption period has already expired.

23 G. F. Ranaivoson, Zones franches – Suspension des avantages fiscaux: Cent cinquante mille emplois remis en cause [Export processing zones – Tax benefits suspended: One hundred and fifty thousand jobs at risk] *L'Express de Madagascar*, 22 November 2021.

2.3. Legislation relating to working conditions, hygiene and occupational safety and health

The rights and obligations of workers and the working conditions in the textile and clothing sector are governed by the following laws and decrees:

- Law No. 2003-044 of 28 July, 2004 on the Labour Code;
- Law No. 94-026 of 17 November, 1994 on the Social Protection Code;
- Law No. 94-027 of 18 November, 1994 on the Code for Workplace Hygiene, Safety and Conditions;
- Law No. 2007-037 of 14 January, 2008 on export processing zones in Madagascar;
- Decree No. 2005-728 of 8 November, 2005, on the Organization and Functioning of Works Councils; and
- Decree No. 2003-1162 of 17 December, 2003 on the Organization of Occupational Medical Services.

Article 5(1) of Law No. 2007-037 on EPZs grants all EPZ enterprises the freedom to manage their staff according to the Labour Code and the Social Security Code. This compatibility both facilitates the choices of free companies when it comes to which social legislation to apply and enables the labour inspection authorities to conduct standard checks.

With a view to preventing occupational accidents and diseases in the industry, labour inspectors receive specific training in occupational safety and health (OSH), which equips them with the basic knowledge to carry out OSH inspections. In addition, the CNaPS, together with the SMTs, is currently establishing an occupational safety and health mark (CNaPS-SMT OSH mark) which grants enterprises recognition for the quality of their treatment of workers and their degree of compliance with OSH regulations.

The qualitative survey conducted for this study has also shown that the compatibility between the law regulating EPZs and the Labour Code and Social Security Code, together with the existence of administrative controls, are the greatest strengths of the legislation governing working conditions and occupational hygiene, safety and health in the textile and clothing industry. The introduction of the CNaPS OSH mark has been positively received.

By contrast, the low numbers of workers joining social protection bodies and SMTs, and the limited checks by the labour inspectorate and the deferral of the regulatory instruments needed to apply certain provisions already in force, are areas where there is room for improvement. Concerning the observance of labour rights, some enterprises emphasized during the survey that they found it difficult to apply the instruments in force, mainly because of hold-ups in the availability of information concerning the legislation. Several employers are also unable to pay their share for SMTs and to the CNaPS, mainly because of the global and national situation resulting from the COVID-19 pandemic.

3. Analysis of the textile and garment supply chain in Madagascar

Analysis of the textile and garment supply chain in Madagascar

3.1. The global textile and garment supply chain

The global textile and garment supply chain is characterized by geographically dispersed production and rapid market-determined changes. It provides employment possibilities for millions worldwide, most of them women.[24] Given the diversity and profile of its workers, the sector has the necessary assets to make an important contribution to countries' economic and social development.

Textile and garment production is generally outsourced to large numbers of suppliers in various countries, which leads to stiff competition and to segmentation of the supply chain. In addition, the textile and clothing sector always needs a large workforce, despite technological progress and the improvement in working practices. Figure 1 below shows the global textile and garment supply chain in simplified form.

▶ Figure 1. Illustration of the global textile and garment supply chain

Raw material supply networks	Component supply networks	Production networks	Exporting networks	Retailers
Natural fibres (cotton, wool, silk, etc.), synthetic fibres (petroleum, natural gas)	Yarns, fabrics, petrochemical products, synthetic fibres	Manufacturing enterprises, garment enterprises, national and foreign subcontractors	Ready-to-wear brands, purchasing office abroad, trading enterprises	

Source: ILO.

24 Women account for 80 per cent of workers in textiles, clothing, leather and footwear. Source: ILO, The Future of Work in Textiles, Clothing, Leather and Footwear, Working Paper No. 326 (Geneva, 2019).

3.2. Overview and structure of the textile and clothing sector in Madagascar

The textile and clothing supply chain in Madagascar employs almost 180,000 people, including 50,000 in the cotton fields and more than 120,000 in garment factories.[25] Most of the factories are located in the capital, Antananarivo, and in the town of Antsirabe, some 162 km from the capital.

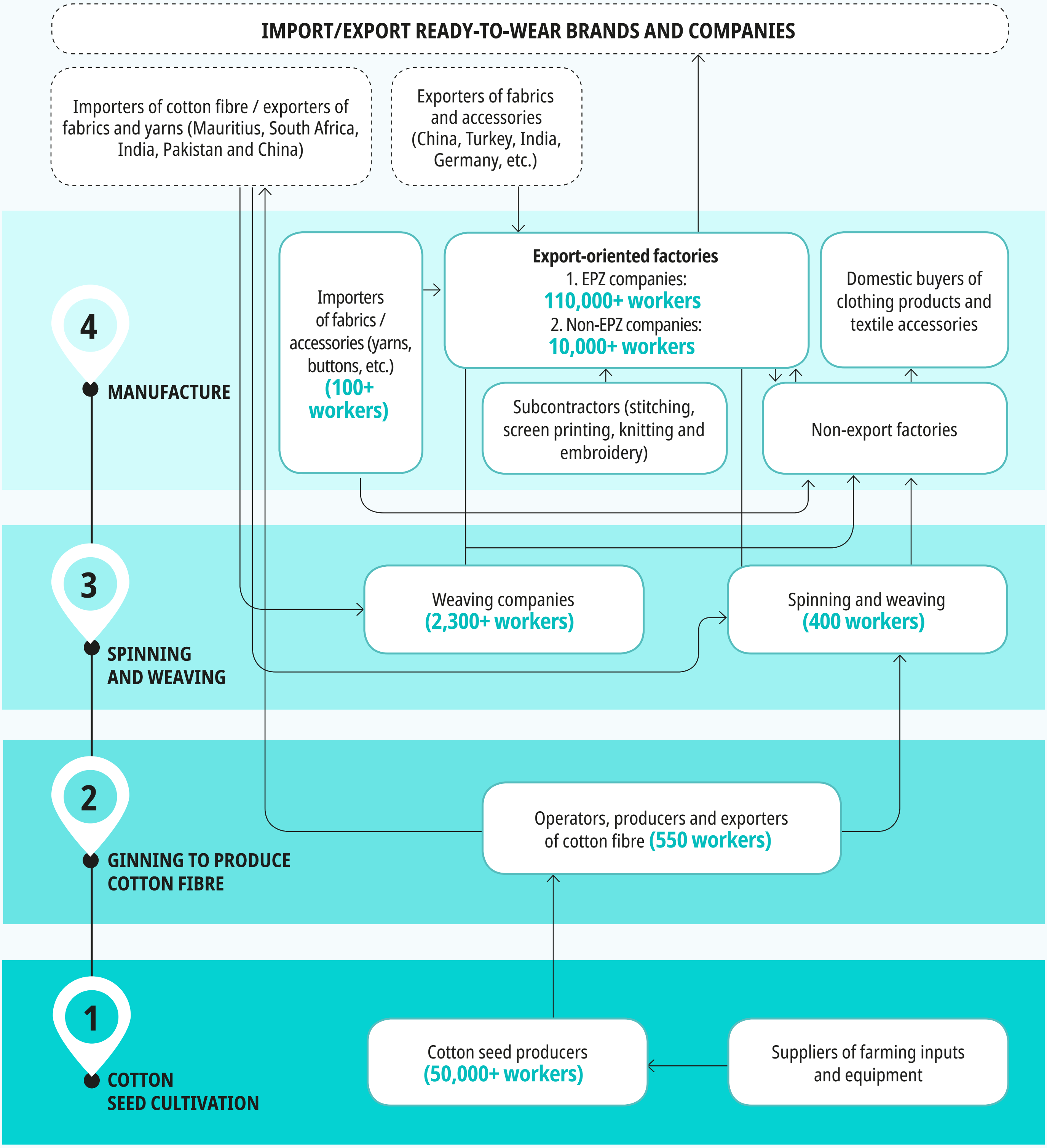
The textile supply chain in Madagascar consists of six main stages:

- Cotton seed cultivation;
- Ginning to produce cotton fibre;
- Spinning;
- Fabric-making;
- Manufacturing; and
- Local and international marketing.

The textile and garment supply chain in Madagascar does not differ greatly from the pattern shown in figure 1 above. A case study published by the ILO in 2020 mapped the main actors in the textile supply chain in Madagascar (figure 2).

25 ILO, Drivers and constraints for OSH improvement in the textile supply chain from Madagascar: A case study, OIT/VZF, 2020.

▶ **Figure 2. Map of the main actors in the textile supply chain in Madagascar**



Supporting functions:

- Ministry of Labour
- Ministry of Agriculture
- Ministry of Industry
- Ministry for Trade
- Workers' organizations,
- Employers' organizations,
- National Social Security Fund,
- capital O,
- Occupational health services,
- World Bank,
- French Development Agency,
- Interministerial Committee on Cotton,
- Interprofessional Cotton Council,
- Certification bodies, etc.

Source: ILO, Drivers and constraints for OSH improvement in the textile supply chain from Madagascar: A case study, OIT/VZF, 2020.

3.2.1. Cotton cultivation

Due to the structures of governance put in place (see Chapter 2), several enterprises and producer cooperatives obtained a cotton economic operator licence in 2017. Table 1 below gives an overview of the cotton industry in 2017. Some 7,495 individual producers cultivated a total area of 21,473 hectares and produced 4,892 tonnes of cotton in that year.

▶ **Table 1. Situation of the cotton industry, 2017**

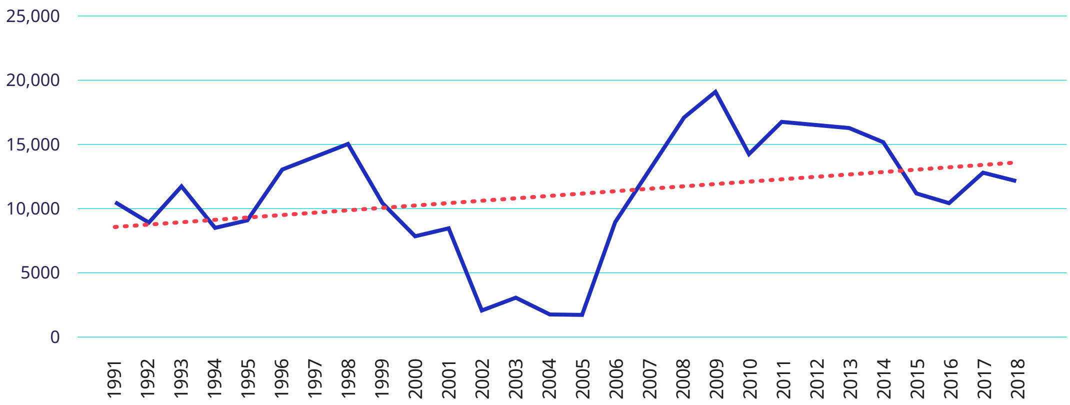
	Total	TIANLI AGRI	MSG	KFBMH	INDOSUMA
No. of producers	7,495	6,358	962	157	18
Reported or tilled areas (ha)	29,500	20,500	6,000		3,000
Sown areas (ha)	21,473.43	16,275.09	3,833.34	590	775
Picked areas (ha)	21,297.32	16,098.98	3,833.34	590	775
Productive areas (ha)	19,445.83	14,247.49	3,833.34	590	775
Expected production (kg)	17,368,259	12,361,586	3,641,673	590,000	775,000
Expected average yield (kg/ha)	954	867	950	1,000	1,000
Actual production (kg)	4,891,829	3,332,028	808,160	354,241	397,400

Source: ILO, Drivers and constraints for OSH improvement in the textile supply chain from Madagascar: A case study, OIT/VZF, 2020

Figure 3 shows the economic value of cotton production from 1991 to 2018. Recent decades have seen wide variations. Several interdependent factors explain the period of steep decline at the start of this century:

- Lack of the rainfall needed to grow cotton;
- The upsurge in attacks by insect pests, notably the "jasside" *(Jacobiella facialis)*, which is multiplying rapidly in the dry conditions;
- The problems that producers face in procuring inputs (seeds and pesticides), mainly because of higher prices and increasing demand;
- The absence of appropriate and secure storage units, which forces producers to store chemicals and harvested cotton seed in their homes;
- The problem of so-called "kilaboly"[26], which has become increasingly common.

▶ Figure 3. Economic value of cotton production in Madagascar 1991-2018 (in thousands of US$)



Source: Statistical database of the United Nations Food and Agriculture Organization (FAO).

26 "Kilaboly" is a practice whereby some farmers renege on their commitments and sell their products to operators other than those which funded their production.

3.2.2. Ginning

Cotton ginning is the first operation after the cotton seed has been picked by producers. It involves the separation of the fibre from the seed. The four approved cotton operators perform this stage between May and September. Their factories employ around 550 permanent workers and 270 seasonal workers.[27]

According to a study carried out by the ILO as part of the VZF project, less than one tenth of cotton production is processed locally, and the greater part of the cotton fibre produced in Madagascar is imported exclusively by a spinning enterprise in Mauritius, even though the imbalance of supply and demand at the global level makes it easy for cotton operators to change clients. The enterprises that export cotton fibre enjoy a profit margin of around 4.9 per cent.[28]

3.2.3. Spinning and weaving

Spinning and weaving involve the production of cotton yarn and the manufacture of fabrics. The three weaving enterprises still operational in Madagascar are members of the GEFP. Since cotton production in Madagascar is export-oriented, the spinning and weaving enterprises are obliged to import cotton and synthetic yarns from China, Mauritius, India and Pakistan in order to meet demand. The processed products are mainly intended for local markets and a limited number of export-oriented enterprises. The spinning and weaving stages provide roughly 2,700 jobs per year.[29] This situation demonstrates the lack of vertical integration in cotton production in Madagascar's textile supply chain.

3.2.4. Manufacturing

Since the beginning of the 1990s, Madagascar has had export processing zones in place. In 2013, the textile and clothing sector accounted for almost 56.4 per cent of EPZ enterprises, far outstripping other industries such as agri-food and ICT, which accounted for 10.5 and 8.3 per cent, respectively, of such enterprises. [30] The ILO/VZF study identified 423 registered enterprises whose activities were partly or wholly defined as falling within the textile sector in 2017. "Among these, 102 were licensed EPZ enterprises and 41 were members of the GEFP. It is estimated that 76.7 per cent of export-oriented manufacturers are licensed EPZ enterprises. Almost half (49.1%) of EPZ enterprises are subsidiaries of multinational enterprises and the other half are independents which have direct trading contracts with importers".[31] Figure 4 below provides a simplified overview of the supply and distribution network for one of the major enterprises operating in textiles and clothing in Madagascar.

27 ILO, Drivers and constraints for OSH improvement in the textile supply chain from Madagascar: A case study, OIT/VZF, 2020.

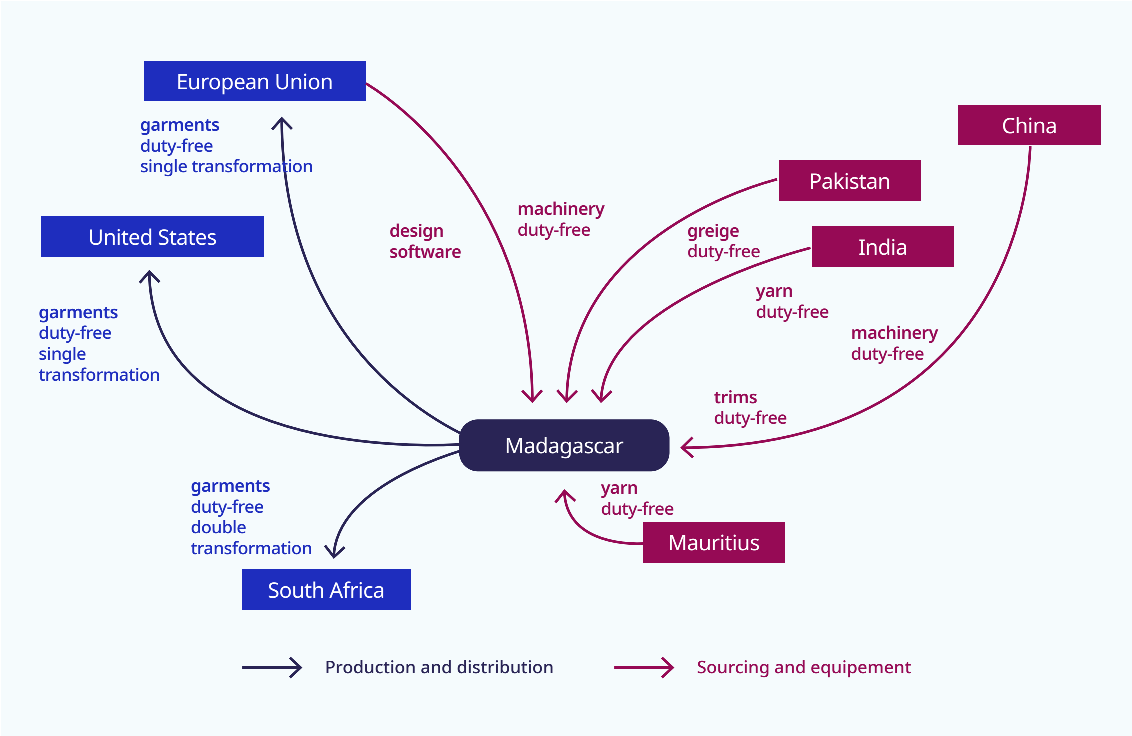
28 See footnote 27.

29 See footnote 27.

30 See https://www.mada-relocation.com/zones-franches/.

31 See footnote 27.

▶ Figure 4. Simplified supply and distribution networks of a major clothing producer in Madagascar, 2020



Source: F. Lehman, "Can Madagascar inspire reform of global fashion's US$2.5 trillion supply chains?", *Trade for Development News* – Enhanced Integrated Framework, 30 June 2020 (consulted in July 2022).

3.3. Trends in international trade

3.3.1. Exports and imports

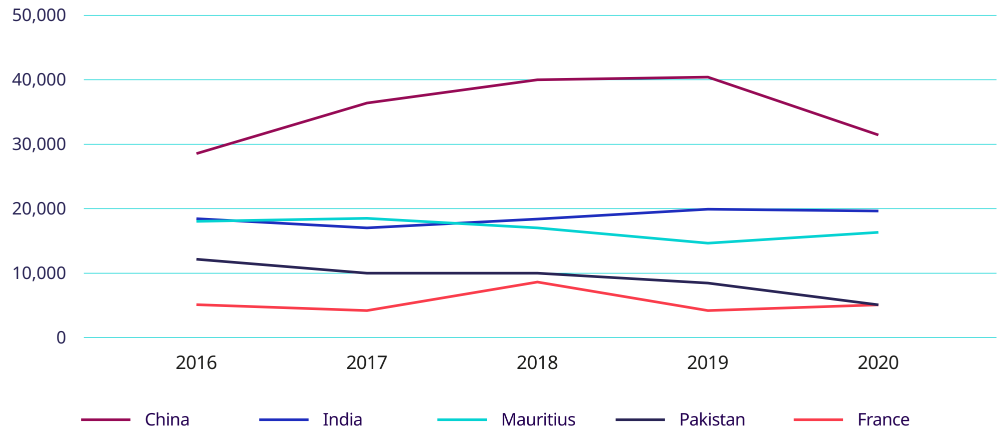
Cotton and by-products

Madagascar represents a 0.1 per cent share of the global market and is ranked 77th among global cotton exporters.[32] At the international level, the value of its global cotton imports was estimated at almost US$ 565 million in 2019.[33]

The country is among the top three African exporters of textile products. Nearly all of the cotton fibre produced in Madagascar is exported. Certain micro, small and medium-sized enterprises (MSME) in the spinning industry have managed to grow by acting as subcontractors for export-oriented garment manufacturers.

Most garment manufacturers import the fabrics that they process, although some source them locally from industrial weaving concerns. China is the principal supplier of cotton and synthetic fabrics (figure 5). There are also enterprises which import accessories (thread reels, buttons, etc.) and fabrics and supply non-exporting manufacturers.

▶ **Figure 5. Supplier markets of cotton imported to Madagascar, import value (in thousands of US$)**



Source: ITC calculations based on statistical database of the Malagasy Customs Directorate, since January 2015. ITC calculations based on the UN COMTRADE statistical database, up to January 2015.

32 ITC, Trademap.

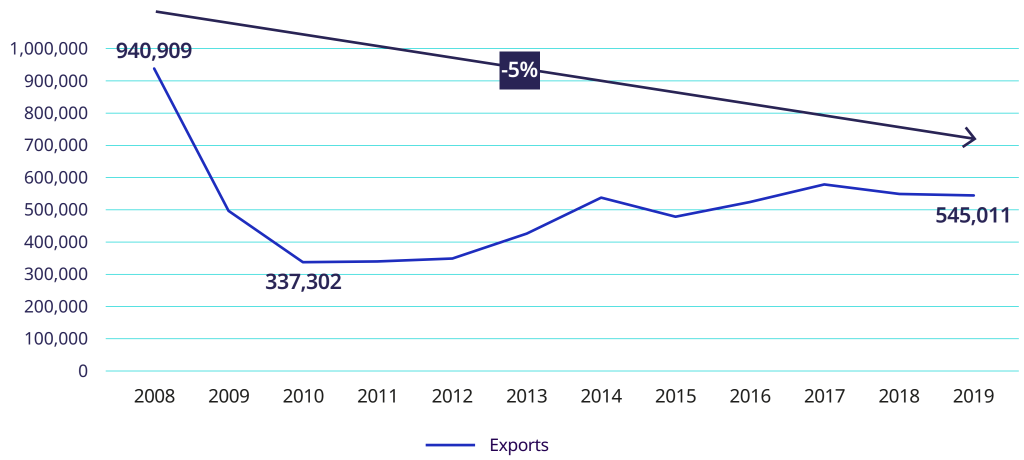
33 WITS (World Integrated Trade Solution), Madagascar Textiles and Clothing Exports to World 2016-2019, website of the World Bank (consulted in March 2022).

Textiles and garments

Exports of textiles and garments from Madagascar have been unstable for several reasons. First, the recurring political crises, mainly those in 2002 and between 2009 and 2013. Second, the international impacts stemming from the expiry of the World Trade Organization (WTO) Agreement on Textiles and Clothing in 2005[34], as well as the financial crisis of 2008-09.

Figure 6 below shows the monetary value of Madagascar's textile and garment exports between 2008 and 2019, estimated at more than US$ 545 million.[35] "In 2017, destination markets were diversified, with France (28%), United States (26%), Germany (11%), South Africa (10%) and the United Kingdom (6.5%) demonstrating the flexibility to manufacture short-run, higher-unit-value production (EU and South African markets) and high-volume, low-cost production (US market)".[36] Imports of textiles and garments were estimated at more than US$ 565 million (figure 7). Following the crisis triggered by the COVID-19 pandemic, a reduction in global exports and imports of products from the textile and clothing sector was anticipated.[37]

▶ Figure 6. Exports of textiles and garments from Madagascar, 2008-2019 (in thousands of US$)



Source: ILO, based on data from World Integrated Trade Solution (WITS) (World Bank), Madagascar Textiles and Clothing Exports to World 2016-2019.

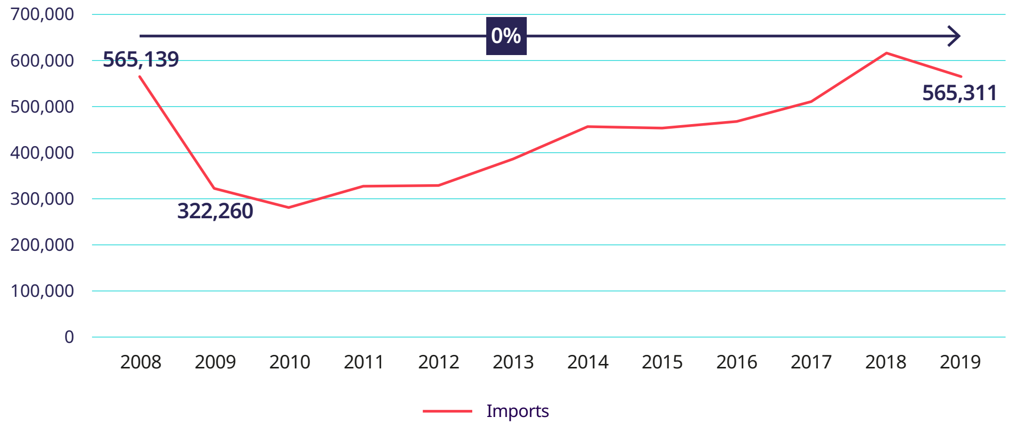
34 See the WTO website for the page concerning textiles, at https://www.wto.org/french/tratop_f/texti_f/texti_f.htm; the text of the Agreement on Textiles and Clothing is available at https://www.wto.org/french/docs_f/legal_f/16-tex.pdf.

35 WITS, Madagascar Textiles and Clothing Exports to World 2016-2019.

36 EIF (Enhanced Integrated Framework for Trade-related Assistance for the Least Developed Countries), Building better apparel value chains in least developed countries, Aid for Trade News, Policy brief, 2021.

37 McKinsey & Company, "State of Fashion 2022".

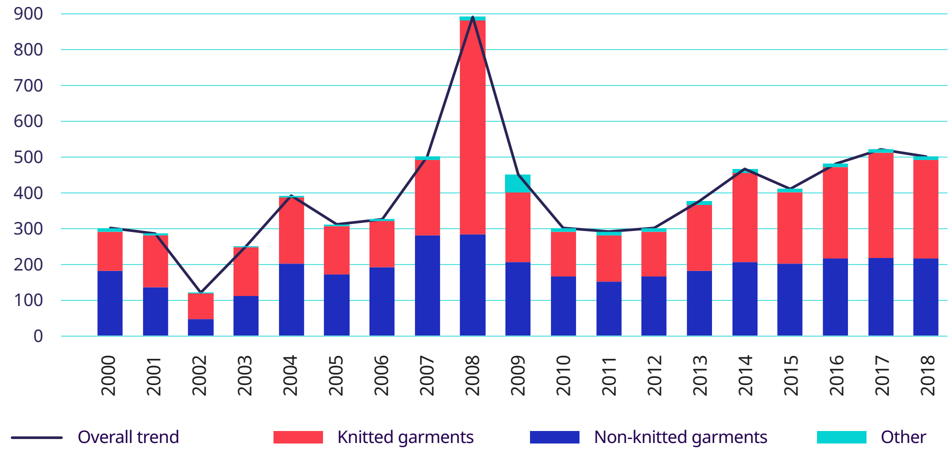
▶ Figure 7. Imports of textiles and garments to Madagascar, 2008-2019 (in thousands of US$)



Source: ILO based on WITS (World Bank) data.

Figures 8 and 9 below show the types of garments exported by Madagascar between 2000 and 2018. Until 2018, Madagascar exported more non-knitted garments and knitted sweaters. The country ranks 55th in the world for the export of knitted garments and accessories, and 44th for the export of garments and accessories other than knitwear.[38]

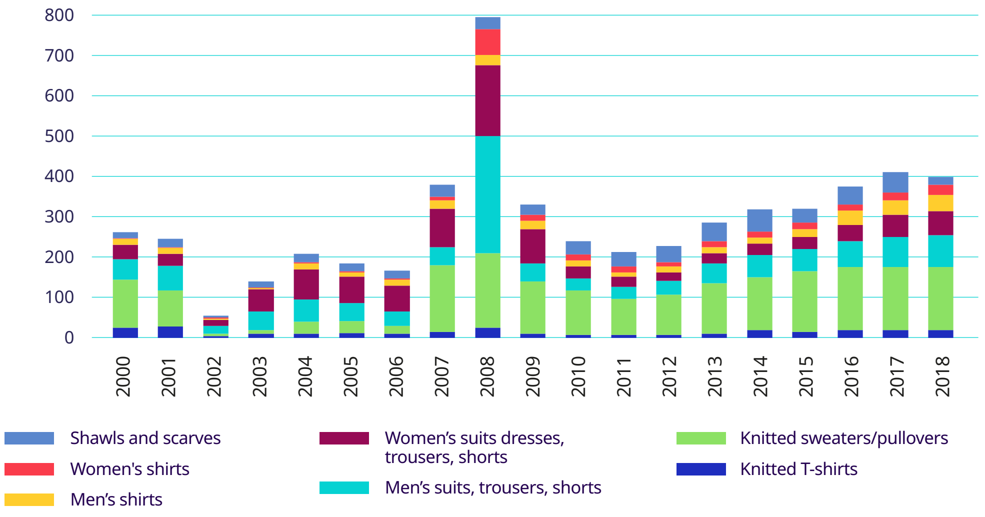
▶ Figure 8. Exports from Madagascar of knitted, non-knitted and other garments, 2000-2018 (in millions of US$)



Source: IFC, Private Sector Diagnostic – Creating markets in Madagascar: For inclusive growth, December 2021.

38 ILO, Drivers and constraints for OSH improvement in the textile supply chain from Madagascar: A case study, OIT/VZF, 2020.

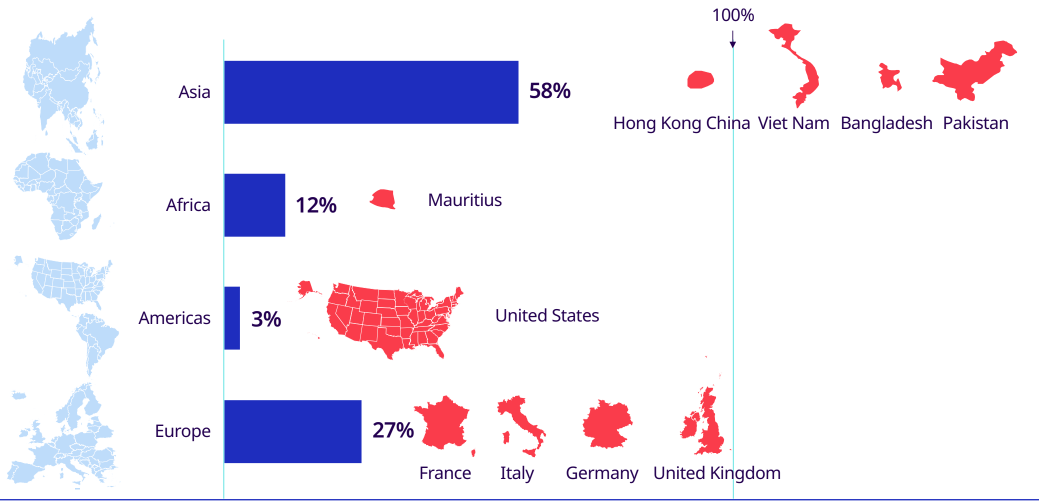
▶ Figure 9. Types of garments exported by Madagascar, 2000-2018 (in millions of US$)



Source: IFC, Private Sector Diagnostic.

The main importers of textile products from Madagascar are France, Spain, Italy, Japan, the Netherlands, Belgium, Germany, Switzerland, the United States, the United Kingdom, Mauritius, Canada, China, the Republic of Korea and Australia.[39] A study by the International Trade Centre (ITC) involving a sample of 14 Malagasy enterprises in 2019 showed the main trade partners of those enterprises (figure 10).

▶ Figure 10. Exports from the textiles and clothing sector for selected enterprises, 2019



Note: This diagram shows the replies of 14 Malagasy textile and clothing enterprises. The proportions have been calculated on the basis of the markets cited.

Source: ITC analysis based on survey data for July-November 2019.

39 ILO, Drivers and constraints for OSH improvement in the textile supply chain from Madagascar: A case study, OIT/VZF, 2020.

Other factors come into play in the analysis of the textile and garment supply chain for Madagascar. For example, the global Logistics Performance Index (LPI) places the country in 137th position, well below the other textile exporting countries (table 2). However, its export delay period is only one day.

▶ Table 2. Comparison of some textile-producing countries, 2018

Country	LPI ranking*	Ranking – Cross-border trade	Export delay (Port or airport supply chain, in days)	Export delay (Terrestrial supply chain, in days)
Madagascar	137	154	1	-
Ethiopia	131	112	2	5
Bangladesh	100	104	-	-
Egypt	60	73	2	5
Viet Nam	45	104	2	9
Cambodia	89	71	-	-
Mauritius	91	137	1	-
China	27	18	2	6
Turkey	37	40	3	6

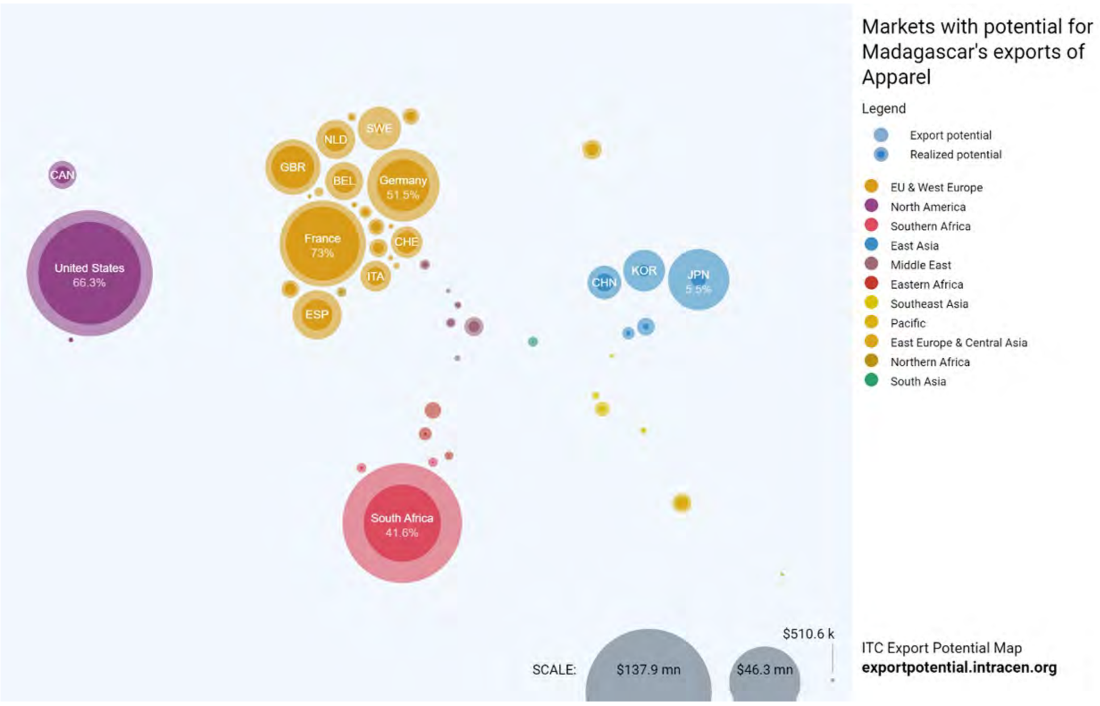
* Aggregate values for 2012-2018.

Source: J.-F. Arvis *et al.*, Connecting to compete 2018 – Trade Logistics in the Global Economy: The Logistics Performance Index and Its Indicators, The International Bank for Reconstruction and Development/La Banque Mondiale (Washington, 2018).

3.3.2. Potential market

Studies conducted by the ITC have shown that there is a highly promising future for exports of garments made in Madagascar. Until now, certain markets have only been exploited lightly, but their potential is significant. This applies, for example, to the Japanese, Chinese, Swiss, Korean, and Kenyan markets. As figure 11 shows, the differences between the realized potential and export potential for garments from Madagascar towards these markets are still considerable. Moreover, even the markets currently targeted, such as those in EU countries, still offer great potential for exploitation, particularly for some types of garments.

▶ Figure 11. Potential market for textiles from Madagascar



Source: CCI, Export Potential Map.

4. Status of decent work and productivity in the textile and clothing sector in Madagascar

Status of decent work and productivity in the textile and clothing sector in Madagascar

The International Finance Corporation (IFC) in the World Bank Group mentions in a recent report that "Madagascar's labour force, especially in the high plateau regions of Antananarivo and Antsirabe, is well known for its dexterity and talent for fine needlework. The productivity of the labour force is high, ranging from 60 to 80 per cent, largely because of the skilled workforce and high retention rates".[40] The survey conducted for this study has gathered quantitative data on the workers and enterprises in the textile and clothing sector in Madagascar.

On the basis of the collected data, this study proposes a quantitative analysis of the features characterizing decent work in this sector. To achieve this, the various segments of the supply chain have been grouped into three parts: agriculture and ginning; spinning and weaving; and manufacturing and distribution.[41]

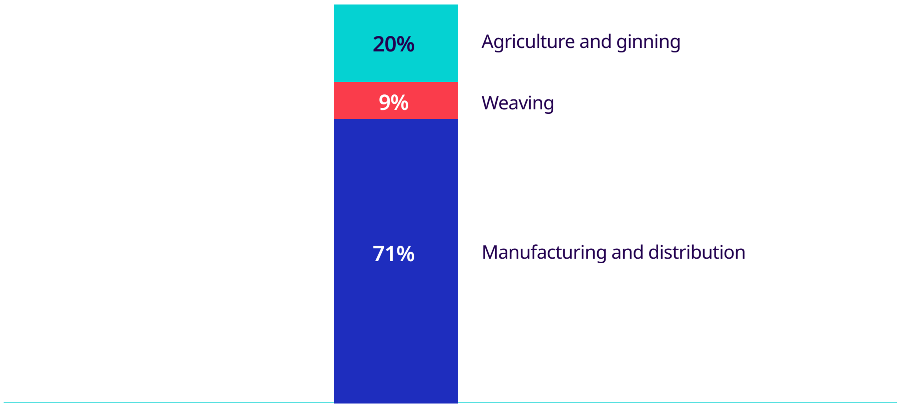
40 IFC, Country Private Sector Diagnostic.

41 Throughout the study, the terms "agriculture and ginning", "spinning and weaving" and "manufacturing and distribution" can be taken to mean, respectively, the agriculture and ginning segment, the spinning and weaving segment and the manufacturing and distribution segment.

4.1. Characteristics of workers in the supply chain

Within the sample, 71 per cent of respondents were concentrated in manufacturing and distribution (figure 12).

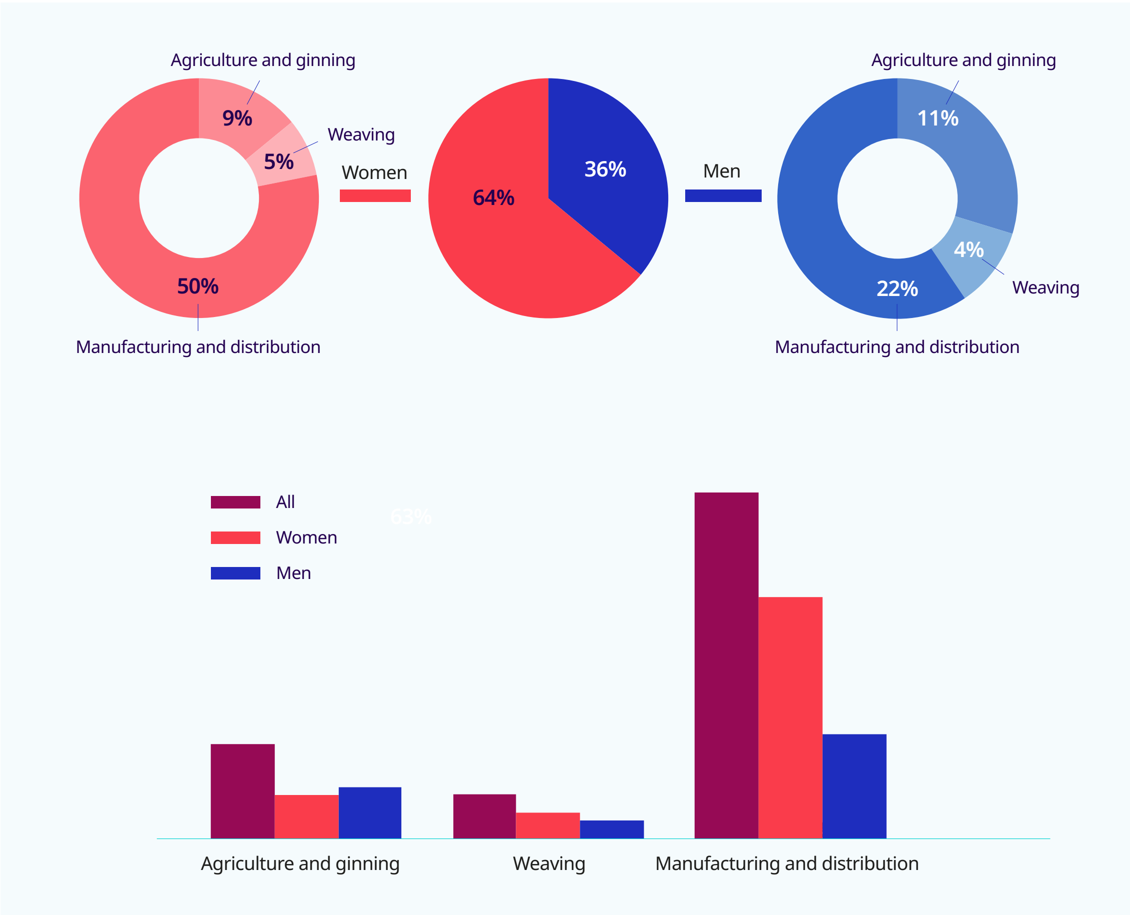
▶ **Figure 12. Breakdown of workers interviewed, by segments of the supply chain (as a percentage)**



Source: ILO analysis, 2022; ONEF survey, November 2021.

Throughout the textile and garment supply chain in Madagascar, a higher rate of participation in the study by women is noticeable, at 64 per cent, compared with that of men at 37 per cent (figure 13). Since jobs in manufacturing and distribution are more accessible to them, women are in the majority in these areas. Out of all the women in the survey sample, almost 50 per cent were employed in manufacturing and distribution, 9 per cent in agriculture and ginning and 5 per cent in weaving.

▶ Figure 13. Breakdown of workers interviewed, by gender (as a percentage)



Source: ILO analysis, 2022; ONEF survey, November 2021.

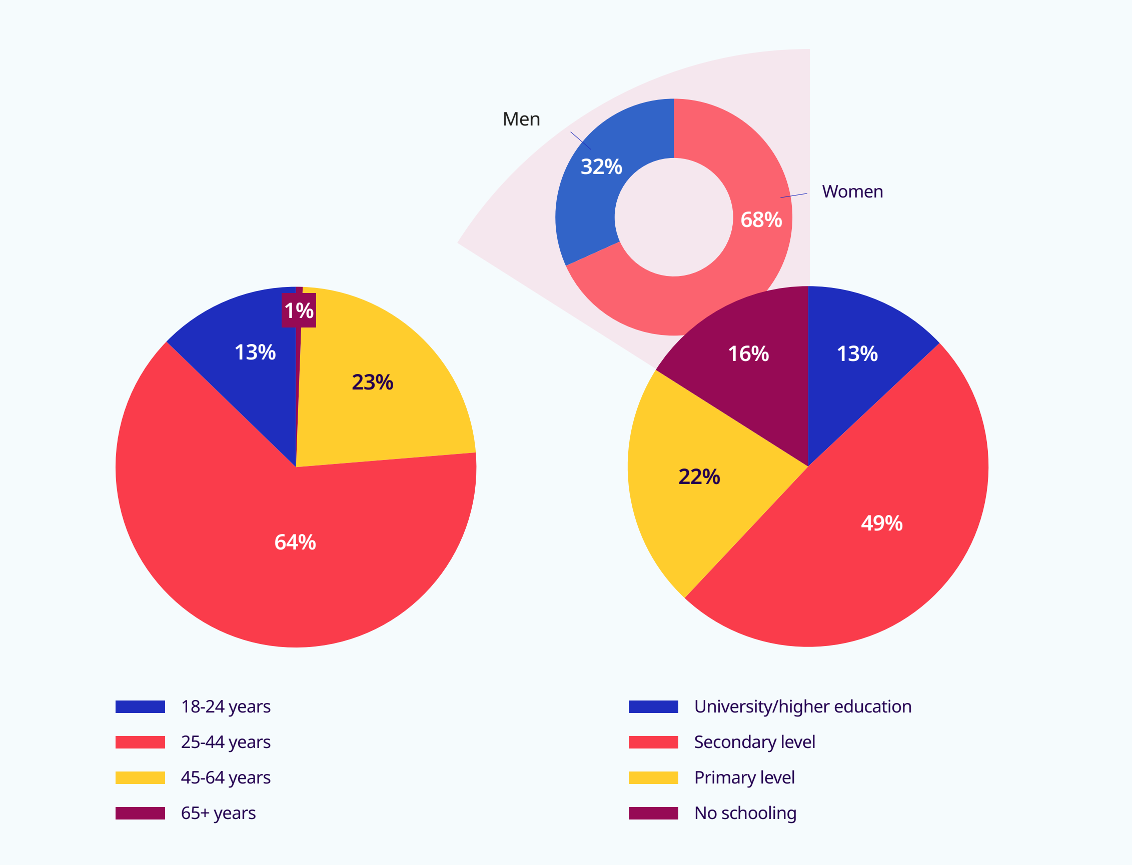
Almost 99 per cent of the workers are of working age, between 15 and 64 years old.[42] They cover various skills corresponding to the functions and profiles within the enterprises.

Figure 14 below shows a more detailed breakdown of the interviewed workers, by age, education level and occupation. The majority of respondents are aged between 25 and 44 and have at least secondary-level education (i.e. up to the final year[43]). Almost 51 per cent of those without schooling are women. Despite this, women represent 68 per cent of the workers who have completed university/higher education.

42 In 2000, Madagascar ratified the ILO Minimum Age Convention, 1973 (No.138), which sets the minimum working age at 15 years. Source: ILO, Normlex.

43 The final year of the secondary school curriculum.

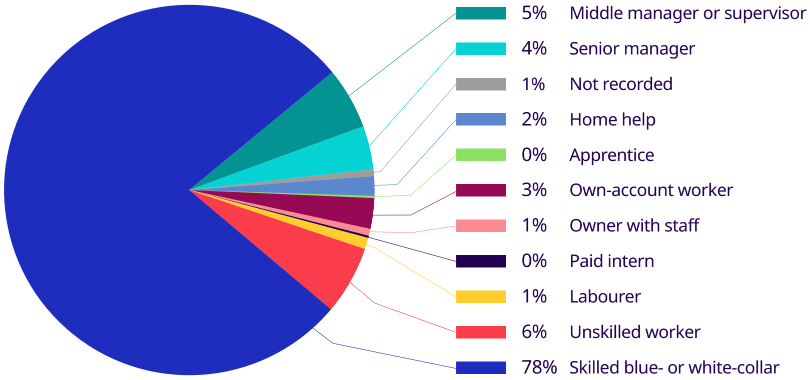
▶ **Figure 14. Breakdown of workers by age group and education level (as a percentage)**



Source: ILO analysis, 2022; ONEF survey, November 2021.

The majority of the workers are skilled blue- or white-collar workers (figure 15). These represented 78 per cent of the respondents. There were few senior executives in the observed sample – only 4 per cent. Almost 74 per cent of these were in garment manufacturing and distribution, while the remainder had jobs in the agriculture and weaving segment of the textile and garment supply chain.

▶ **Figure 15. Breakdown of workers by occupation**



Source: ILO analysis 2022; ONEF survey, November 2021.

4.2. Employment and working conditions

4.2.1. Informality

Informal employment in the textile and garment supply chain linked with Madagascar is characterized by family involvement self-employed individuals and workers with temporary contracts, with no social protection, no paid holidays and no sick leave.

Almost 42.8 per cent of the workers in the supply chain have an informal job and are concentrated in agriculture and ginning (96.9 per cent). In terms of gender, 50 per cent of these workers are men and 38.8 per cent women.

▶ **Table 3. Proportion of workers in informal employment (as a percentage)**

Workers in informal employment	Agriculture and ginning	Spinning and weaving	Manufacturing and distribution	Together
Men	94 %	11 %	35 %	50 %
Women	100 %	22 %	30 %	39 %
Together	97 %	17 %	31 %	43 %

Source: ILO analysis, 2022; ONEF survey, November 2021.

4.2.2. Employment contracts

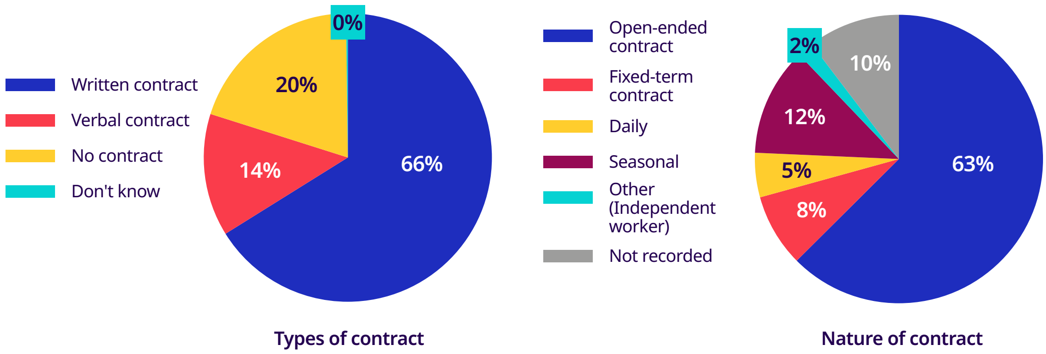
The personal files of workers reveal that recruitment takes various forms. Either they have submitted spontaneous applications or completed internships at their enterprise, or, more informally, they have simply waited outside these organizations until an opportunity arises. The latter option applies particularly to daily labourers and seasonal workers.

An employment contract is a legal document which sets out the employment relationship. Eighty per cent of employers respect their obligation to establish employment contracts. Figure 16 below shows the types and nature of these contracts. The rules governing the conclusion of employment contracts are relatively well upheld: 66 per cent of workers confirmed they had received a written contract specifying their role, occupational category, salary and effective date; 14 per cent had concluded a verbal contract; and 20 per cent had not received any form of employment contract. Almost 19 per cent of the workers had received temporary contracts and 27 per cent of the workers had informal contracts[44], which constitutes a vulnerable employment situation.

44 Violations of the existing legislation mainly concern fixed-term contracts which are abused by employers: fixed-term, seasonal or daily.

Analysis of the data by gender shows that 56 per cent of the persons with no contract were women. They also represented almost 55 per cent of the workers with only verbal contracts. Some 67 per cent of the workers with full-time contracts were women. Likewise, women accounted for almost 59 per cent of the workers with temporary contracts, 68 per cent of daily contracts, 63 per cent of fixed-term contracts and 51 per cent of seasonal contracts.

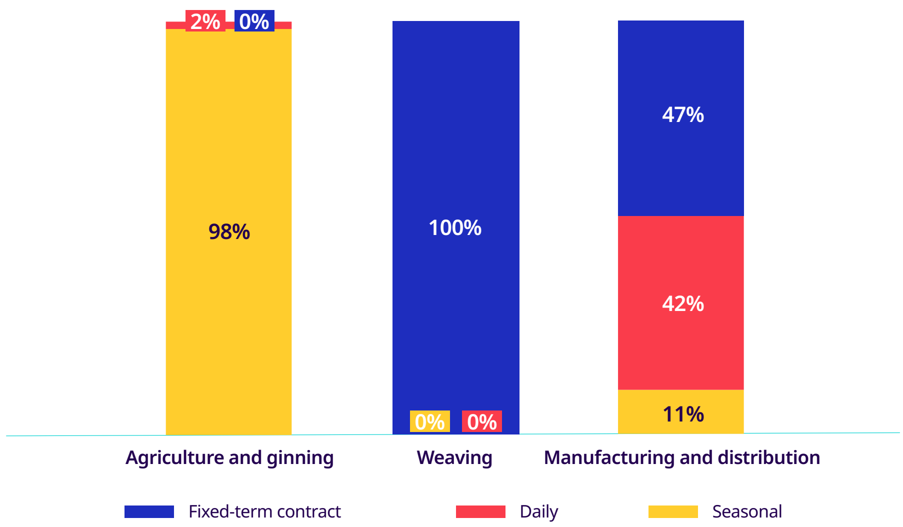
▶ Figure 16. Type and nature of employment contracts (as a percentage)



Source: ILO analysis 2022; ONEF survey, November 2021.

Workers in vulnerable employment (i.e. those with fixed-term contracts, seasonal workers or daily labourers) form the majority in the agriculture and ginning segment. Almost 98 per cent of them are seasonal workers (figure 17).

▶ Figure 17. Breakdown of workers in insecure employment in the textile and garment supply chain



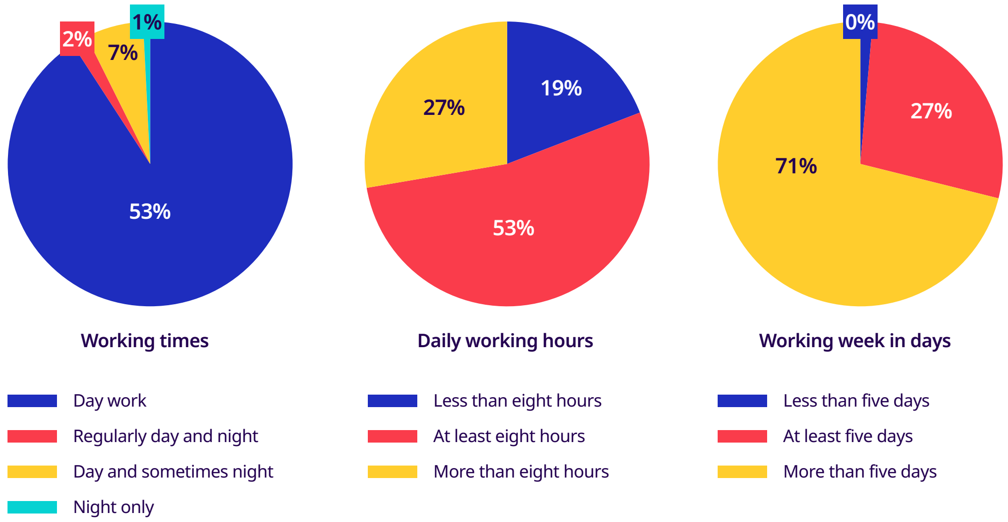
Source: ILO analysis 2022; ONEF survey, November 2021.

4.2.3. Working hours

The length of the legal working week in Madagascar is 40 hours (42.6 hours in farm enterprises).[45] Textile and garment enterprises often make use of overtime and occasional night work, due to their large numbers of orders and short deadlines.

The study reveals that daily working hours exceed eight in 28 per cent of cases, and that the working week is longer than five days in 71 per cent of cases. Ninety-one per cent of the workers work in the daytime and 7 per cent work by day and sometimes at night (figure 18).

▶ **Figure 18. Periods and number of daily and weekly working hours (as a percentage)**



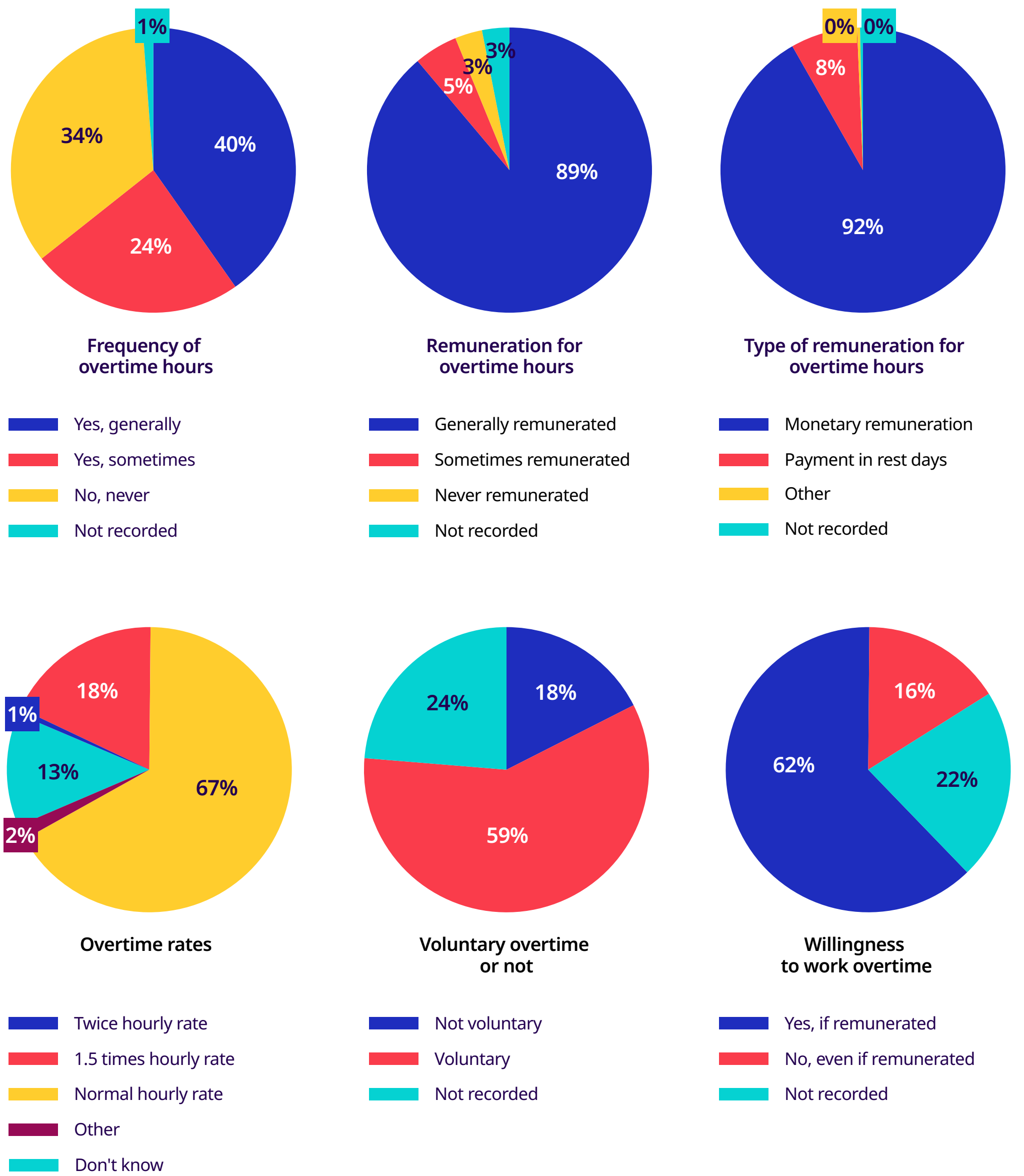
Source: ILO analysis 2022; ONEF survey, November 2021.

Overtime hours are authorized in advance by the labour inspectorate, with three months validity, and must not exceed 20 hours per week. They are authorized in order to deal with production surpluses at the enterprise and apply to all workers.

Almost 64 per cent of the workers often or occasionally work overtime; 67 per cent of these are women. Some workers say that they work up to 65 overtime hours in a week. However, 89 per cent of them maintain that they are remunerated for their overtime hours (figure 19), and around 8 per cent that they are paid in the form of rest days rather than in monetary form. Sixty-seven per cent of the workers interviewed stated that they received at least the regular hourly rate for their overtime, and 18 per cent that they were paid at one and one-half times the regular hourly rate. Almost 18 per cent of the workers did not volunteer for overtime, while 24 per cent of those interviewed preferred not to answer that question. Around 62 per cent of the respondents were willing to do overtime only if it was remunerated.

45 S. Urfer, Conditions du travail à Madagascar, [Employment conditions in Madagascar] *Revue Projet* (revue-projet.com), 1 February 2009.

▶ **Figure 19. Frequency and payment of voluntary or involuntary overtime hours (as a percentage)**

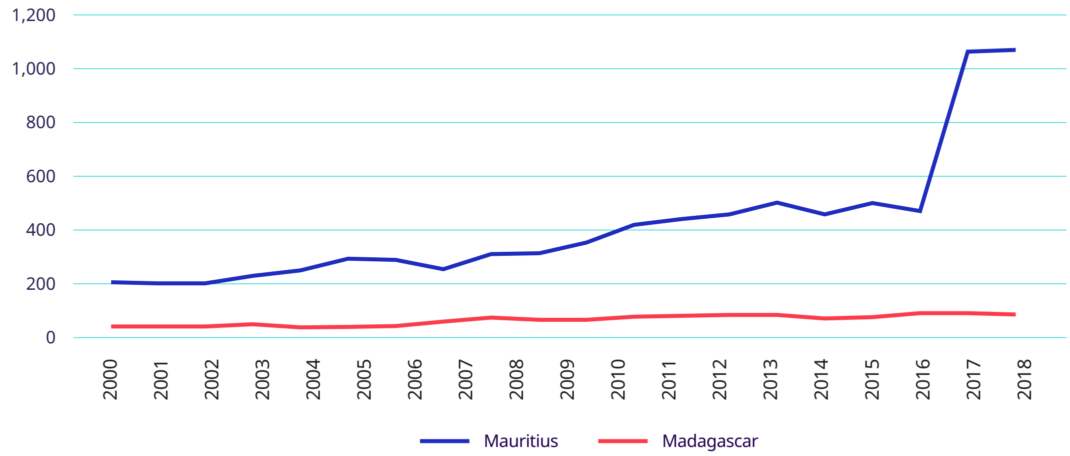


Source: ILO analysis 2022; ONEF survey, November 2021.

4.2.4. Wages

The results of the quantitative survey indicate that 43 per cent of workers are living below the extreme poverty level defined by the World Bank as US$1.9 (1.78 euros) per day.[46] Relatively low wage levels appear to be the main cause. The average monthly wage in the textile and clothing sector in Madagascar is much lower than in Mauritius. Although they are among the lowest in the reference countries[47], ranging from US$ 60 to 115 (57-110 euros), the wages in the textile and clothing sector are nonetheless higher than the country's average minimum wage, which was US$ 50 (47 euros) In 2019.[48]

▶ Figure 20. Monthly wages in the apparel sector in Mauritius and Madagascar, 2000-2019 (in US$)



Source: IFC, Country Private Sector Diagnostic.

In the context of this study, the majority of respondents mention receiving monetary payment in the form of a monthly wage (70 per cent). Others are paid at piecework rate or by the hour. Other types of wages are linked to the price of the product or the fact that a self-employed entrepreneur or owner decides not to set an exact wage (figure 21).

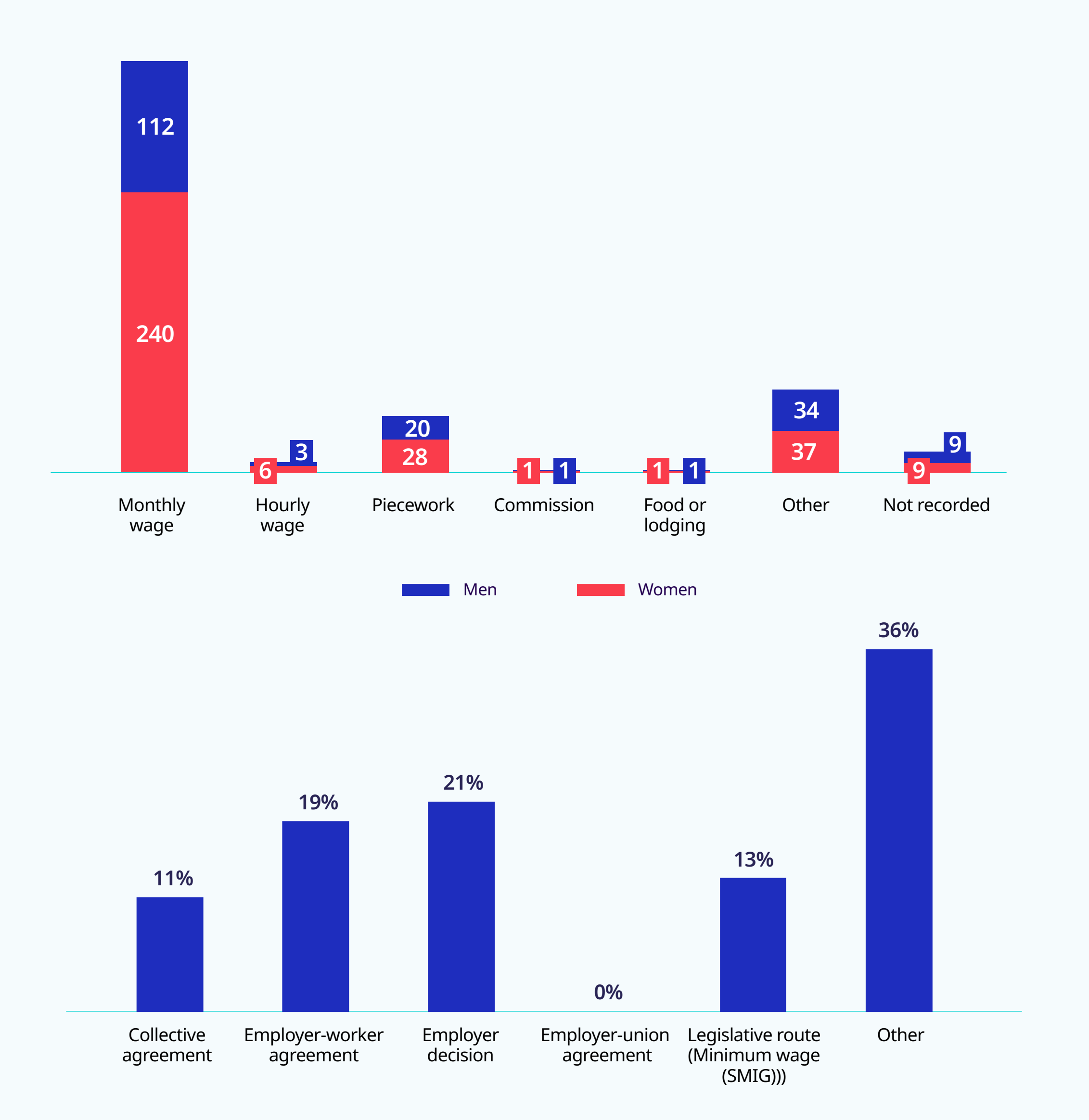
Concerning pay reviews, only 11 per cent of companies make use of collective agreements between employer and workers. In 19 per cent of cases, the wage is set or reviewed by joint agreement between employer and worker, while in 21 per cent of cases the employers take unilateral decisions.

46 The international poverty line established in 2011 at US$ 1.90 in purchasing power parity (PPP). In autumn 2022, the World Bank adjusted the international poverty line to US$ 2.15. Source: D. Filmer, H. Fu and C. Sánchez-Páramo, "Adjustment to international poverty lines", World Bank Blogs, World Bank website, 2 May 2022.

47 The reference countries are Kenya (175 dollars), Uganda (105 dollars), Bangladesh (95 dollars) and Tanzania (90 dollars). Source: IFC, Scoping Study: Madagascar Textiles and Apparel.

48 Conversion at the exchange rate of 5 June 2022 on the Oanda currency converter.

▶ **Figure 21. Types of workers' wages (in absolute terms) and methods used by enterprises to set or review wages (as a percentage)**

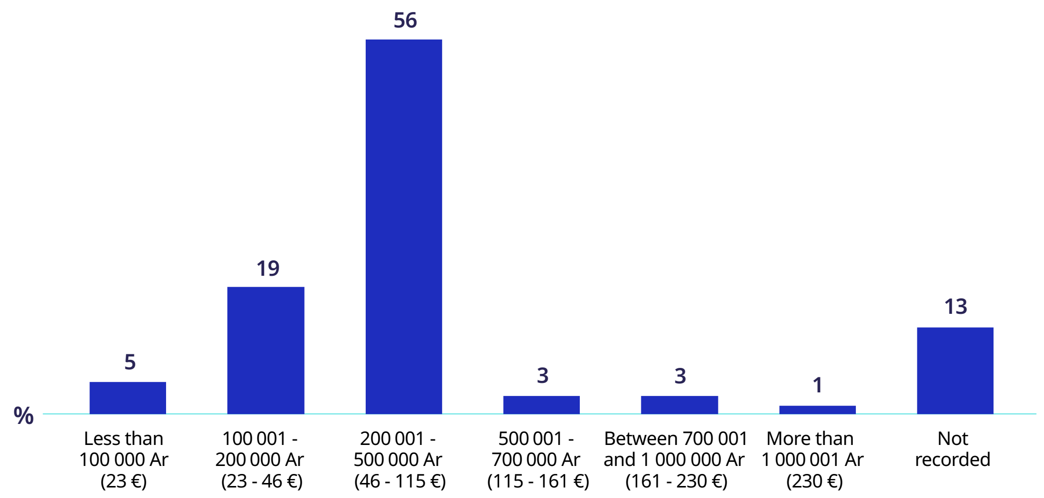


Source: ILO analysis 2022; ONEF survey, November 2021.

As a burden on employers and the main source of income for workers, wages can be a potential source of conflict, and are thus the main focus of collective bargaining all over the world. According to the surveys, the enterprises in all sectors combined are alike in respecting payment of the minimum wage (SME). However, figure 22 below shows that 63 per cent of workers state that their wages are higher than the minimum wage of 200,000 ariary (around 46 euros), while 19 per cent earn between 100,001 and 200,000 ariary (23 to 46 euros) and 5 per cent earn less than 100,00 ariary (23 euros).[49]

49 Conversion at the exchange rate of 5 June 2022 on the Oanda currency converter.

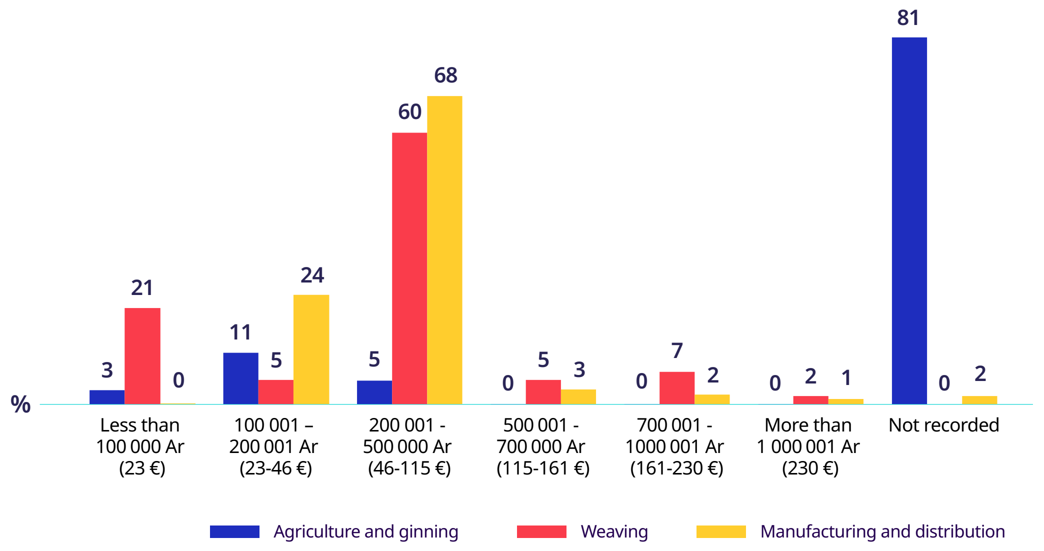
▶ **Figure 22. Workers' monthly wage/income (as a percentage)**



Source: ILO analysis 2022; ONEF survey, November 2021.

In agriculture, the majority of workers have no definite fixed wage. Among these, 11 per cent receive between 100,001 and 200,000 ariary (23-46 euros) per month. Thus, in general, workers engaged in the spinning, manufacturing and distribution sectors seem to receive a higher wage.

▶ **Figure 23. Workers' monthly wage/income by sector of activity (as a percentage)**



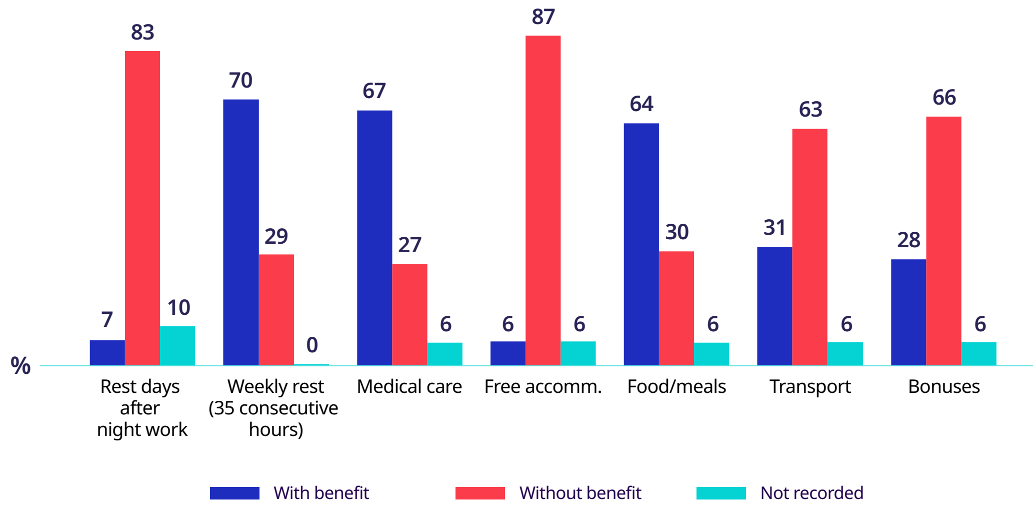
Source: ILO analysis 2022; ONEF survey, November 2021.

4.2.5. Benefits and other social allowances

Benefits and allowances for all

Over and above their gross wage, almost 81 per cent of workers state that they receive at least one social benefit. Figure 24 below shows the propensity of workers to receive various benefits such as a rest period after night work or weekly rest hours, medical care, free accommodation, free meals, transport or bonuses. On average, workers receive more benefits in the form of consecutive weekly rest hours, at least 35 hours for 70 per cent of them. The second and third most frequent benefits are medical care and free food or meals, which are enjoyed by 67 and 64 per cent of workers, respectively.

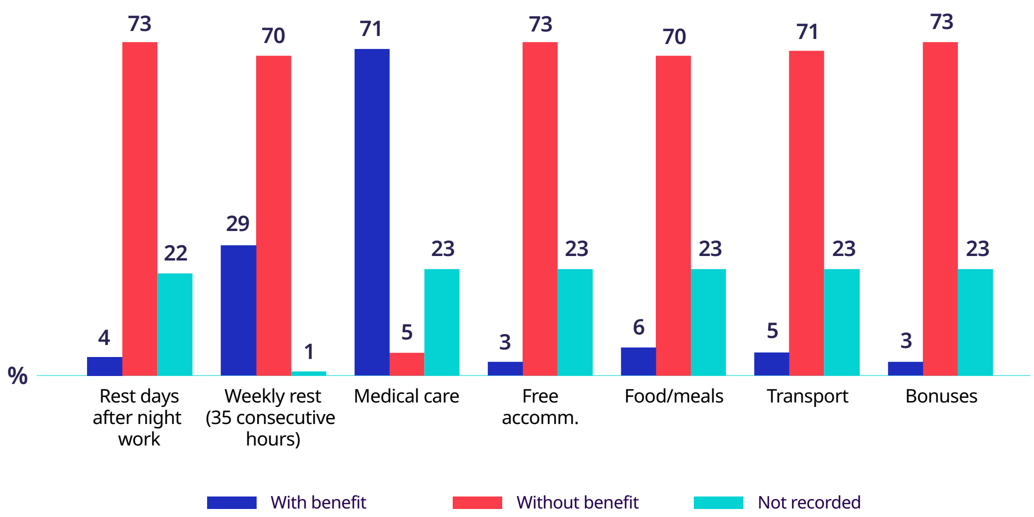
▶ **Figure 24. Benefits and allowances of workers interviewed, over and above gross wage (as a percentage)**



Source: ILO analysis 2022; ONEF survey, November 2021.

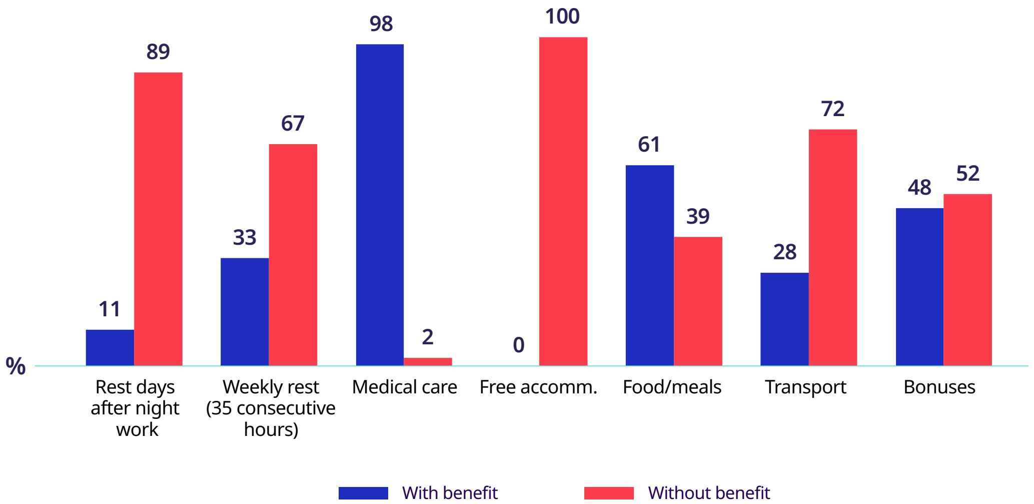
Analysis of the social benefits granted by sector of activity shows wide variations (figures 25, 26 and 27). Medical care and food seem to be most frequent in spinning, manufacturing and distribution. In agriculture and ginning, most workers receive no benefits, except those who enjoy medical care granted by their employers (71 per cent).

▶ Figure 25. Benefits and allowances of workers in agriculture and ginning (as a percentage)



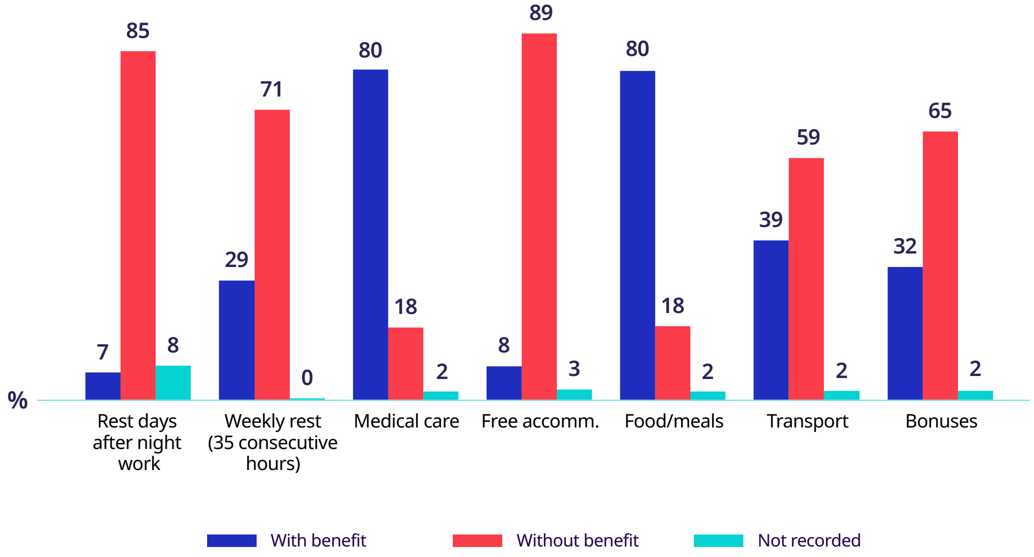
Source: ILO analysis 2022; ONEF survey, November 2021.

▶ Figure 26. Social benefits of workers in weaving (as a percentage)



Source: ILO analysis 2022; ONEF survey, November 2021.

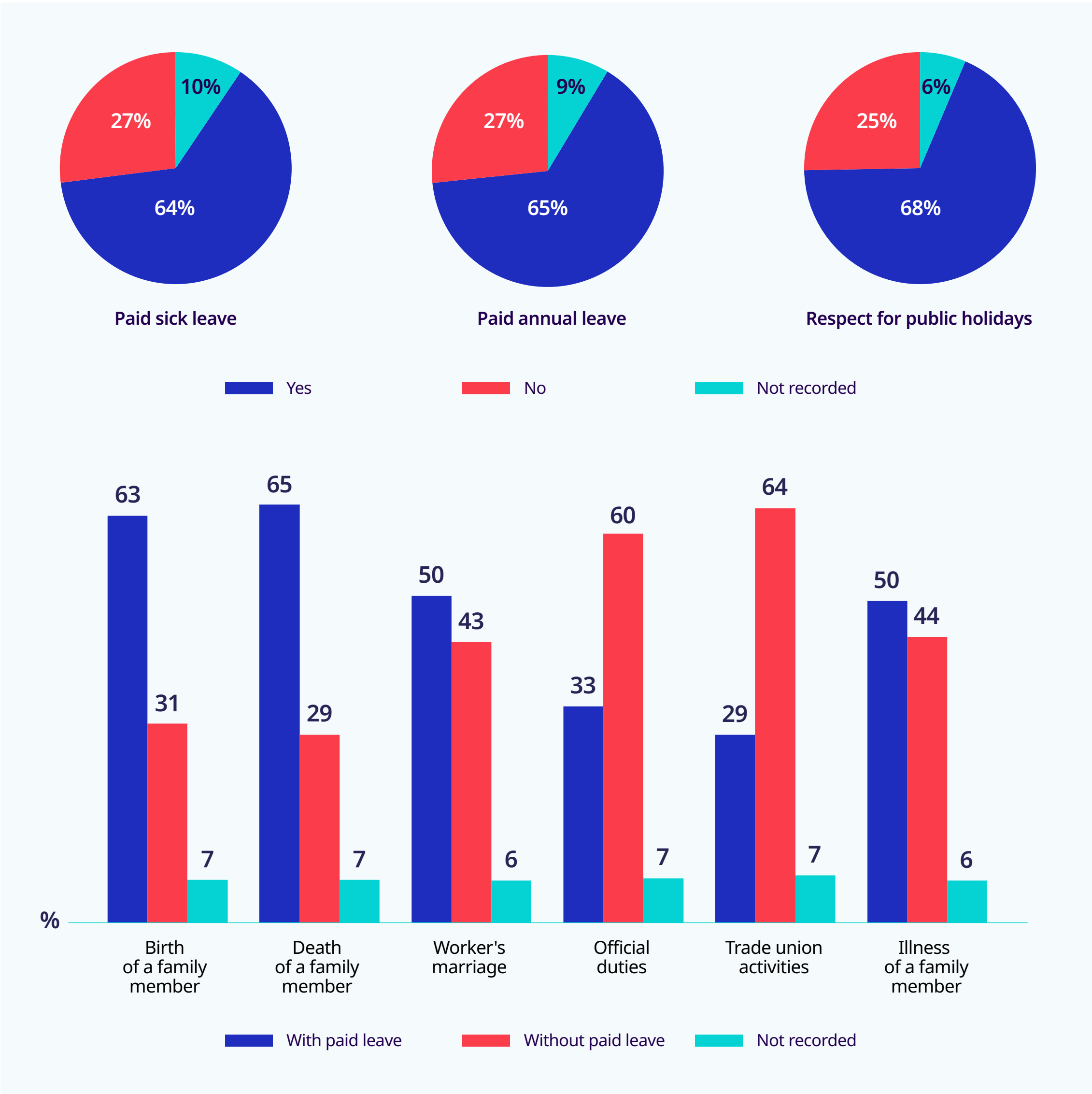
▶ **Figure 27. Benefits and allowances of workers in garment manufacture and distribution (as a percentage)**



Source: ILO analysis 2022; ONEF survey, November 2021.

The study has also shown that an estimated 64 per cent of workers benefit from sick leave paid for by the employer. Overall, almost 7 per cent of farmers, 87 per cent of weaving workers and 76 per cent of workers in manufacturing and distribution have access to paid sick leave. Moreover, around 65 per cent of workers benefit from paid annual leave varying from 2 to 30 days per year. Almost 68 per cent of the employers respect public holidays, which are kept and paid in accordance with the legislation in force. Regarding other types of paid leave, days granted for a birth or a death in the close family are the most frequent: these are granted to 63 and 65 per cent of workers respectively (figure 28).

▶ Figure 28. Access to sick leave, annual leave or other types of leave paid for by the employer (as a percentage)



Source: ILO analysis 2022; ONEF survey, November 2021.

Specific benefits for women

The labour legislation grants certain specific rights to women, such as maternity leave, breastfeeding breaks, prenatal allowance and family allowance, among others. The right to breastfeeding breaks is the most respected, at 52 per cent, followed by maternity leave at 48 per cent (table 4). However, the figures below show that there are still many women who do not receive all their rights. Only 32 per cent of women enjoy the right to prenatal allowance, while 17 per cent have no access to family allowance.

▶ **Table 4. Proportion of women whose rights are respected (as a percentage)**

	Section of the supply chain			Together
	Agriculture and ginning	Spinning and weaving	Manufacturing and distribution	
Maternity leave	20	41	54	48
Breastfeeding breaks	31	41	56	52
Prenatal allowance	16	26	36	32
Family allowance	16	19	29	17

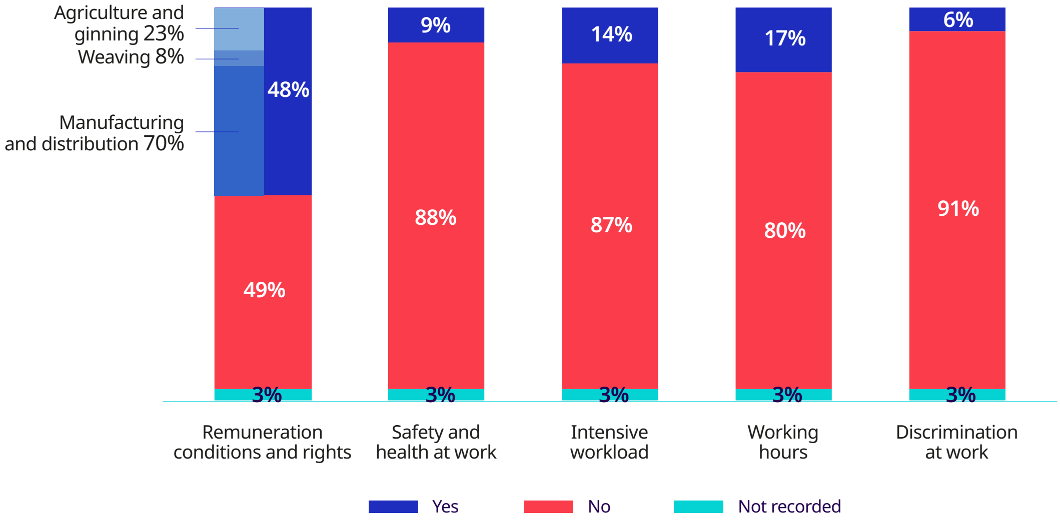
Source: ILO analysis 2022; ONEF survey, November 2021.

4.2.6. Resignations and dismissals

Resignations

The main reason for worker resignations seems to relate to wage conditions, according to almost 48 per cent of the workers. Among the latter, 70 per cent work in garment manufacturing and distribution (figure 29). Working hours and a heavy workload appear to be the other main reasons for resignation. Almost 15 per cent of the workers mentioned that resignations can be subject to conditions, which can include the obligation to provide and complete a period of notice.

▶ **Figure 29. Main causes of resignations by workers (as a percentage)**

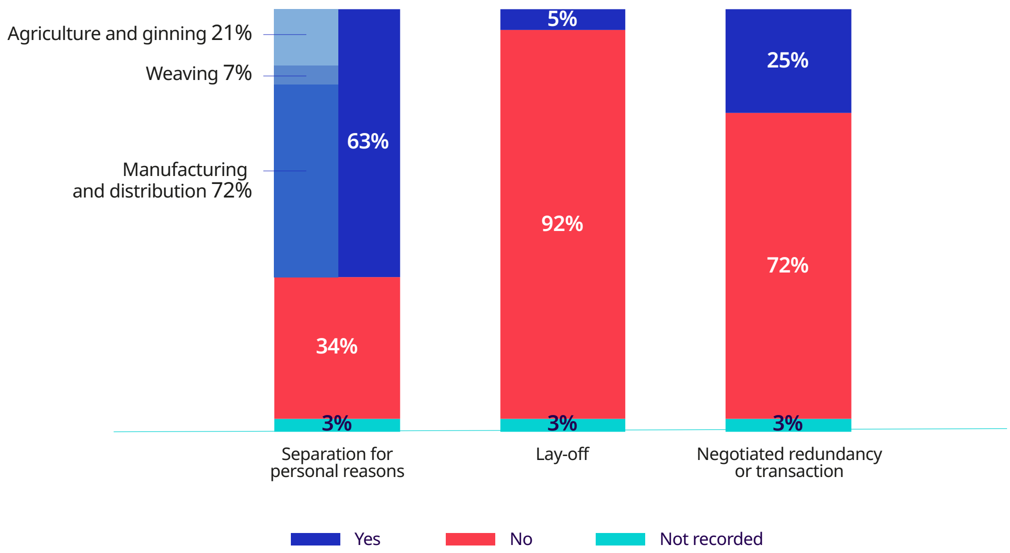


Source: ILO analysis 2022; ONEF survey, November 2021.

Dismissals

The majority of dismissals relate to personal reasons cited by employers (63 per cent) and occur mostly in manufacturing and distribution (72 per cent). Other cases include dismissal through negotiated redundancy (25 per cent) and lay-offs (5 per cent).

▶ **Figure 30. Main causes of worker dismissals (as a percentage)**



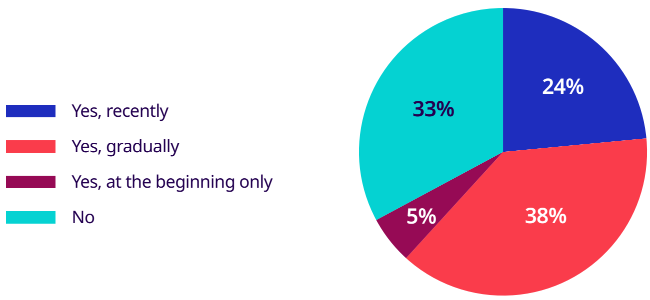
Source: ILO analysis 2022; ONEF survey, November 2021.

The survey also revealed that other factors can be involved in dismissals, especially when workers are accused of acts deemed to be serious misconduct or, in certain cases, when they become unfit for work (sickness).

4.2.7. Promotions and level of job satisfaction

Most workers state that the tasks assigned to them since they started their job have developed to a greater or lesser extent. Some mention a gradual evolution over time (38 per cent), and others much more recent changes (24 per cent).

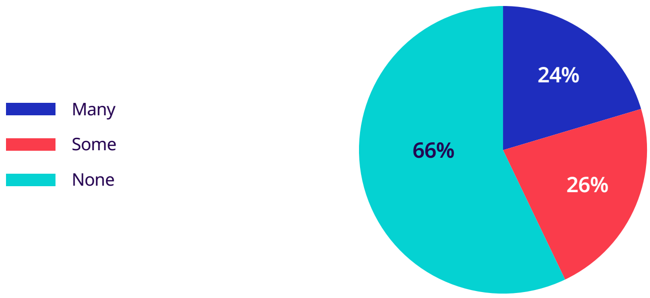
▶ **Figure 31. Development in the tasks assigned by the employer (as a percentage)**



Source: ILO analysis 2022; ONEF survey, November 2021.

Around 66 per cent of the workers mention having no possible chance of progression in their current activities (figure 32). Among these, 67 per cent are in garment manufacturing and distribution.

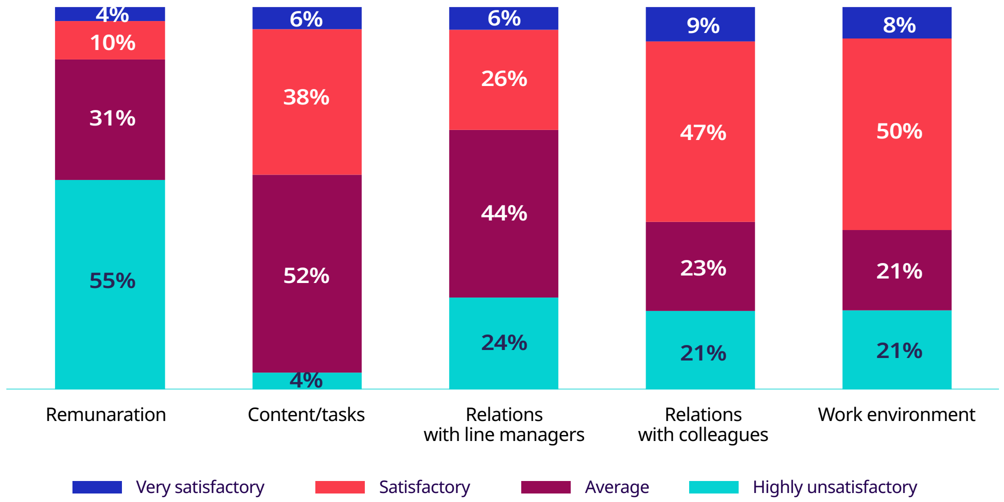
▶ **Figure 32. Possibilities for progress/ promotion (as a percentage)**



Source: ILO analysis 2022; ONEF survey, November 2021.

Figure 33 below shows levels of worker satisfaction concerning certain aspects of their jobs. The majority of workers are not satisfied with their wage level (55 per cent). Also, 52 per cent of workers think that the content of the tasks they are assigned could be improved. Likewise, many of them state that relations with their line managers need to improve considerably (24 per cent) or at least to a certain extent (44 per cent).

▶ **Figure 33. Workers' opinions on certain aspects of their jobs (as a percentage)**

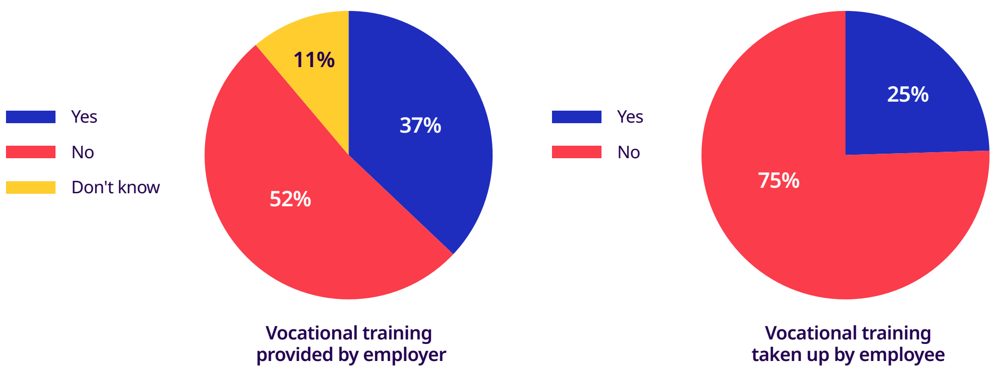


Source: ILO analysis 2022; ONEF survey, November 2021.

4.2.8. Vocational training

The workers interviewed mentioned that vocational training was available to them (37 per cent). However, only 25 per cent of them had participated in vocational training (figure 34) and in 98 per cent of such cases they had only participated once. Most respondents said they had received training lasting from 1 to 90 hours.

▶ **Figure 34. Existence of vocational training and participation by workers**

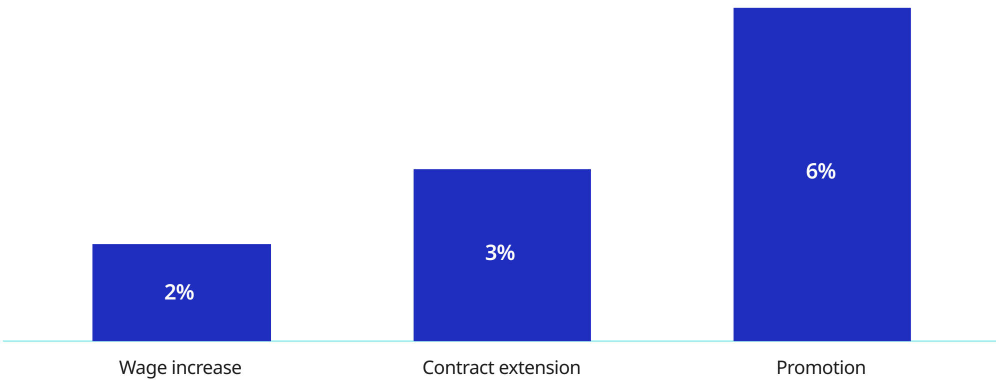


Source: ILO analysis 2022; ONEF survey, November 2021.

In agriculture and ginning, the training concerns the use of industrial materials and equipment, machinery, and equipment maintenance, first aid, and other activities. In weaving, some workers have received training in OSH and the handling of weaving equipment. The workers in garment manufacturing and distribution also receive these types of training, as well as other much more technical training in management, quality assurance and, in certain cases, foreign languages (mainly English).

In addition to the knowledge they gained, respectively 2, 3 and 6 per cent of the individuals interviewed stated that their training enabled them to gain a higher wage, a longer contract or a promotion (figure 35).

▶ **Figure 35. Benefits obtained from undertaking training**



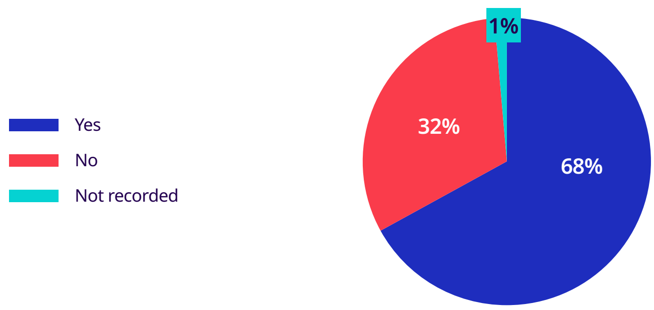
Source: ILO analysis 2022; ONEF survey, November 2021.

4.3. Social protection and social security

Social protection and security for workers is a key factor, inseparable from respect for basic decent work principles, in assessing how an enterprise abides by the imperatives of social progress and integration into the formal economy. Social security for workers is also one of the prerequisites for enterprises applying to join the AGOA.[50] The registration of workers with the CNaPS and with an occupational health service are also required under the Malagasy Labour Code. "Labour inspectors and the National Social Security Fund (CNaPS) have set up joint social protection task forces' to visit garment factories under a five-year OSH coordination plan. Over the course of three months of joint visits to enterprises at the end of 2019, 558 employers and 12,172 workers registered with the CNaPS".[51]

The results of the survey show that most workers say that their employers have registered them with the CNaPS (figure 36), but that almost 32 per cent of them and their families do not receive these social benefits. It is worth noting that a large number of enterprises reported having stopped paying their social security contributions following the crisis triggered by the COVID-19 pandemic.

▶ **Figure 36. Percentage of workers registered with the CNaPS**



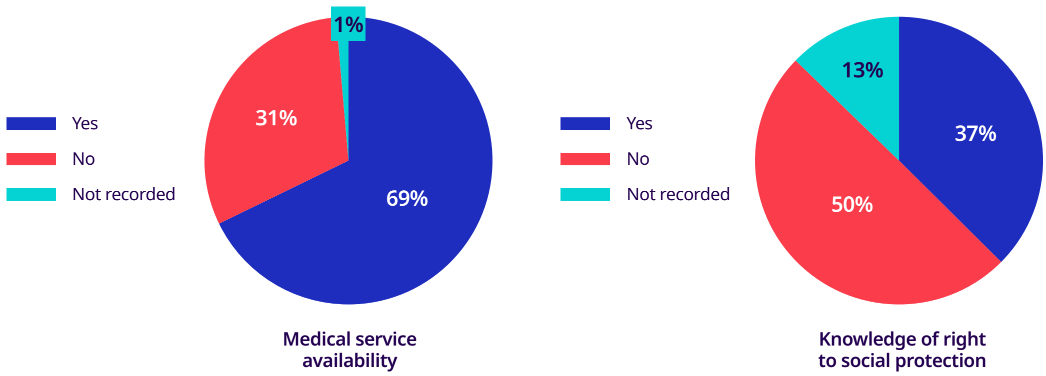
Source: ILO analysis 2022; ONEF survey, November 2021.

The survey revealed that 50 per cent of the workers without access to the CNaPS have no knowledge of their right to social protection (figure 37). Most of these workers, around 86 per cent, operate in agriculture and ginning. The others can be found in the manufacturing and distribution sector. As obstacles to joining the CNaPS, the workers cited lack of information, the seasonal nature of their work which increases the prevalence of certain types of insecure contract (temporary, verbal or a subcontracting arrangement) and the geographical distance between service points. In addition to that, around 7 out of 10 workers benefit from an inter-enterprise medical service or work in a place which has an independent medical service (figure 37). This level of insufficiency is an infringement of decent work principles.

50 The protection of internationally recognized workers' rights is one of the conditions for joining the AGOA, among which are the right of association, the right to organize and to collective bargaining, the prohibition on the use of forced or compulsory labour of any kind, a minimum age for the employment of children, and acceptable working conditions in respect of minimum wage, working hours and occupational safety and health.

51 ILO/VZF, Annual progress report, 1 October 2019 – 30 September 2020, July 2021.

▶ **Figure 37. Availability of an occupational medical service and knowledge of the right to social (as a percentage)**



Source: ILO analysis 2022; ONEF survey, November 2021.

4.4. Fundamental Principles and Rights at Work

4.4.1. ILO Conventions, Recommendations and Protocols relevant to the textile and garment supply chain

The list below shows the ILO normative instruments relevant to the improvement of decent work in the global textile and garment supply chain.

Fundamental ILO Conventions and corresponding Recommendations

- Freedom of association and collective bargaining
  - (a) Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87);
  - (b) Right to Organise and Collective Bargaining Convention, 1949 (No. 98).
- Elimination of forced labour
  - (a) Forced Labour Convention, 1930 (No. 29), Forced Labour (Supplementary Measures) Recommendation, 2014 (No.203) ; 2014, and Protocol of 2014 to the Forced Labour Convention, 1930;
  - (b) Abolition of Forced Labour Convention, 1957 (No. 105).
- Abolition of child labour
  - (a) Minimum Age Convention, 1973 (No.138) and Minimum Age Recommendation, 1973 (No.146);
  - (b) Worst Forms of Child Labour Convention, 1999 (No.182) and Worst Forms of Child Labour Recommendation, 1999 (No. 190).
- Elimination of discrimination
  - (a) Equal Remuneration Convention, 1951 (No. 100) and Equal Remuneration Recommendation, 1951(No. 90);
  - (b) Discrimination (Employment and Occupation) Convention, 1958 (No. 111) and Discrimination (Employment and Occupation) Recommendation, 1958 (No. 111).

Occupational safety and health

- (a) Protection of Workers' Health Recommendation, 1953 (No. 97);
- (b) Welfare Facilities Recommendation, 1956 (No. 102);
- (c) Workers' Housing Recommendation, 1961 (No. 115);
- (d) Occupational Safety and Health Convention, 1981 (No. 155), Occupational Safety and Health Recommendation, 1981 (No. 164), and Protocol of 2002 (Recording and notification of occupational accidents and diseases) to the Convention;
- (e) Occupational Health Services Convention, 1985 (No. 161) and Occupational Health Services Recommendation, 1985 (No.171);
- (f) List of Occupational Diseases Recommendation, 2002 (No. 194) and List of occupational diseases (revised in 2010);
- (g) Promotional Framework for Occupational Health Convention, 2006 (No. 187) and Promotional Framework for Occupational Health Recommendation, 2006 (No. 197).

4.4.2. Child labour

In sub-Saharan Africa, almost 23.9 per cent of children between the ages of 5 and 17 are forced into child labour. Agriculture is the sector where child labour is most persistent, accounting for 70 per cent of the children affected.[52] The latest report by the ILO and UNICEF on child labour estimates that "most child labour takes place within the family unit".[53]

52 ILO and UNICEF (United Nations Children's Fund), Child labour: 2020 global estimates, trends and the road forward (Geneva and New York, 2021).

53 ILO and UNICEF, Child labour, 2020 global estimates.

Malagasy law sets the legal working age at 15 years.[54] The third general census of population and housing (RGPH-3) conducted in October 2021 by the National Institute of Statistics (INSTAT)[55] shows that 17.4 per cent of Malagasy children between 5 and 17 years of age are working – a total of 1,517,451 children. Among these, 93 per cent live in the countryside and 7 per cent in towns. Madagascar has made certain advances in combating child labour. Thus, "regarding measures to tackle child labour, significant progress has been made, notably through the creation of an institutional framework including the adoption of a national plan of action to tackle child labour in 2004 and the introduction of the National Commission to Combat Child Labour (CNLTE) and its branches in 11 regions, the drafting and signing of a code of conduct against Commercial Sexual Exploitation of Children (IPEC) by stakeholders in tourism, and active interventions in awareness-raising and prevention and to remove children from the labour market and place them in schools. Madagascar is also one of the first countries to have established a time-bound programme for immediate abolition of the worst forms of child labour".[56]

The results of the survey show that in the agriculture and ginning segment of the textile and clothing sector in Madagascar 4.1 per cent of workers engaged in cotton cultivation and ginning state that they have witnessed underage persons in the workplace. This is also the case for 0.3 per cent of workers in garment manufacturing and distribution.

▶ Table 5. Workers who witness child labour (as a percentage)

	Supply chain segments			Together
	Agriculture and ginning	Spinning and weaving	Manufacturing and distribution	
Men	3.8	0.0	0.0	1.1
Women	4.4	0.0	0.4	0.9

Source: ILO analysis 2022; ONEF survey, November 2021.

4.4.3. Forced labour

The survey revealed that 10.8 per cent of the men and women working in the textile and garments supply chain have had to confront forced labour.[57] It also notes that men are more subject to forced labour than women, in agriculture, ginning, spinning and weaving. The opposite pertains in manufacturing and distribution, where 11.6 per cent of women reported a situation of forced labour, against 10.2 per cent of men. It is important to emphasize that almost 15.8 per cent of the men working in spinning and weaving have had to work against their will; some have been obliged to do work that they did not agree to in advance, and others have been forced to work in degrading conditions or have not been permitted to resign.

54 ILO, Normlex; see also Decree No. 2007-563 of 3 July 2077 on child labour [French only].

55 Madagascar – Ministry for the Economy and Finance/INSTAT, Thematic report on the results of RGPH-3 – Theme 03: Economic characteristics of the population [French only], October 2021.

56 Madagascar, Ministry for the Economy and Finance/INSTAT, Thematic report.

57 In the context of this study, forced labour is defined as labour done against one's will, without prior consent.

▶ **Table 6. Frequency of forced labour in the supply chain (as a percentage)**

	Supply chain segments			Together
	Agriculture and ginning	Spinning and weaving	Manufacturing and distribution	
Men	9.4	15.8	10.2	10.6
Women	6.7	11.1	11.6	10.9

Source: ILO analysis 2022; ONEF survey, November 2021.

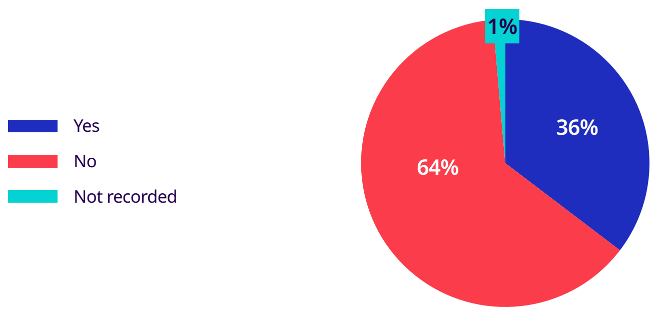
4.4.4. Freedom of association

Freedom of association is a fundamental right recognized by Madagascar, which has ratified the related ILO international Convention. Likewise, staff delegates and union representatives are the driving force behind social dialogue at enterprises. Such dialogue facilitates greater harmony and a formal relationship between workers and employers when it comes to effectively resolving workers" economic and social issues.

Only 43 per cent of the enterprises which took part in the survey stated that they grant their workers freedom of association. Where they do not, they state that the key reason is the size of the enterprise (from sole ownership to less than 50 workers) or their unawareness of the freedom of association principle. Among the enterprises which state that they grant freedom of association to their workers, 35 per cent nevertheless have no trade unions. The main reason given is that the workers are not interested.

Almost 64 per cent of the workers in the textile and garment supply chain say that they do not belong to a salaried workers' trade union (figure 38). The highest level of union membership (63%) is in the manufacturing and distribution segment. However, this percentage represents only 32 per cent of all the workers in that segment.

▶ **Figure 38. Membership of a salaried workers' trade union (as a percentage)**



Source: ILO analysis 2022; ONEF survey, November 2021.

It is notable that 75 per cent of the enterprises interviewed are not members of an employers' group. This lack of affiliation entails the risk of a decent work deficit for their workers and can lead, as this survey has found, to the non-existence of employment contracts, derisory wages below the SME level, excessive working hours, non-registration of workers with the CnaPS and the absence of access to occupational health services.

The qualitative survey conducted for this study has shown that low trade union membership can be attributed to several factors, including:

- ▶ Unawareness of the existence and roles of trade unions on the part of workers;
- ▶ Reprisals and intimidation suffered by trade union leaders;
- ▶ Suspicion of trade unions, constantly nourished by fears about politicisation.

It was found that 43 per cent of workers think that they would have no effective protection if their staff representatives were dismissed. Others maintain that they would have to approach the labour inspectorate or that the workers would have to show a united front to defend workers who were dismissed.

Where they exist in the workplace, the trade unions engage in several types of action, as shown in table 7. Actions related to wages and OSH seem to involve the largest mobilizations.

▶ **Table 7. Actions taken by trade unions**

	Yes	No	Not recorded
Actions related to wages and rights	38 %	17 %	45 %
Actions related to OSH	37 %	18 %	45 %
Actions in the event of sickness or a serious occupational accident	33 %	22 %	45 %
Actions against employment discrimination	13 %	42 %	45 %
Actions related to vocational training	12 %	43 %	45 %

Source: ILO analysis 2022; ONEF survey, November 2021.

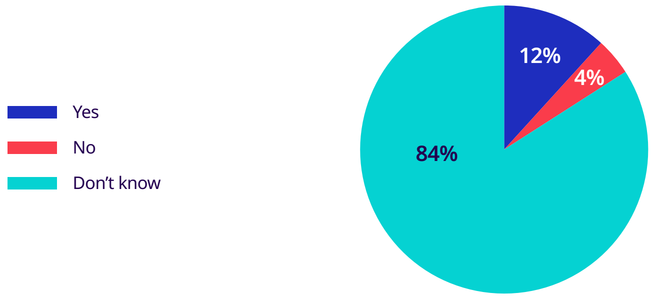
Despite the low union membership, almost 65 per cent of workers confirm that they have at least one staff representative. However, the staff representatives are often not informed of measures taken by the employers, and the latter seem to respond rarely to workers' complaints.[58] In addition, 42 per cent of workers refer to the dubious legality of worker representative elections.

4.4.5. Collective bargaining

In principle, the negotiation of a collective agreement is compulsory for enterprises with more than 50 workers. In these enterprises, around 34 per cent of the workers reported the existence of a workers' council. Overall, only 12 per cent of workers said that they were covered by a collective agreement at their enterprise. Furthermore, only 15.3 per cent of workers in large enterprises said that they were covered. The level is higher than average among women in manufacturing and distribution enterprises (14.8%). Men working for weaving enterprises seem to be the least informed on these matters. By comparison with all workers in the supply chain, 84 per cent of them do not know whether a collective agreement exists at their workplace.

58 ONEF, Qualitative survey.

▶ **Figure 39. Coverage by a collective agreement or by an employment contract negotiated by a trade union (as a percentage)**



Source: ILO analysis 2022; ONEF survey, November 2021.

4.4.6. Equality and non-discrimination

Discrimination is defined in Convention No.111 as "… any distinction, exclusion or preference made on the basis of race, colour, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation".[59] Almost 21 per cent of workers think that the regulations prohibiting employment discrimination are not respected. Moreover, almost 36 per cent of workers interviewed do not know if their enterprise applies a policy of equality or of non-discrimination. Around 38 per cent of workers think that no policy of this kind has been put in place.

Unequal pay between men and women exists to a significant extent in the textile and garment supply chain. 10 per cent of workers think that there is a difference between the wages of male and female workers. This problem is more widespread in agriculture and ginning, with 86 per cent of workers identifying unequal pay.

Moreover, 15 per cent of the men and women interviewed think that men are favoured when it comes to promotion. A difference, even if less obvious, between the status and treatment accorded to a man or woman was also noted by the workers in the supply chain (3% of the workers surveyed).

According to the definition in the ILO Violence and Harassment Convention of 2019, "the term 'violence and harassment in the world of work' refers to a range of unacceptable behaviours and practices, or threats thereof, whether a single occurrence or repeated, that aim at, result in, or are likely to result in physical, psychological, sexual or economic harm, and includes gender-based violence and harassment. The term 'gender-based violence and harassment' means violence and harassment directed at persons because of their sex or gender, or affecting persons of a particular sex or gender disproportionately, and includes sexual harassment".[60]

It was revealed that 6.2 per cent of the workers interviewed had already dealt with at least one inappropriate behaviour or comment in the workplace. Sixty-five per cent of these were women. These inappropriate behaviours included offensive, embarrassing or hurtful comments, such as inappropriate jokes, insults, rumour-spreading, spiteful gossip or being excluded.

59 ILO, Labour legislation guidelines.

60 ILO: Violence and Harassment Convention, 2019 (No. 190).

4.4.7. Occupational safety and health

Occupational safety and health (OSH), including systems for preventing occupational accidents, diseases and fatalities as well as for ensuring hygiene and improving the work environment, are an integral component of worker protection and affect their productivity as well as the competitiveness of the enterprise. That is why, at the 110th Session of the International Labour Conference in June 2022, Governments together with employers' and workers' organizations raised OSH to the level of a fundamental principle and right at work.[61] This principle thus now stands alongside those of freedom of association and effective recognition of the right to collective bargaining, the elimination of all forms of forced or compulsory labour, the abolition of child labour, and the elimination of discrimination in employment and occupation.

The ILO/VZF study in 2020 focuses on the drivers and constraints for improving OSH in Madagascar's textile supply chain.[62] It was carried out using the Market Systems Development for Decent Work approach[63] and comprises four key stages: supply chain selection, supply chain mapping, supply chain analysis and intervention design. Among the drivers and constraints for improving OSH, the study identified:

- Growing demand for responsible products, i.e. certified textile and cotton products, including compliance with OSH standards;
- Support for rural development, including greater support and technical assistance for producers;
- A legal and regulatory framework for OSH which is enforced effectively;
- The limited capacities of supporting institutions, in particular the labour inspectorate.

The analysis presented below is based on the data collected by the ONEF for the sample shown in the annex. On this basis, several risks to workers' safety and health are identified. The compendium of ILO practice on safety and health in the textiles, clothing, leather and footwear industries[64] is an essential document available to governments, employers and workers to use in establishing a safe and healthy working environment.

Risks incurred by workers in the sector

Enterprises in the textile and clothing sector are not spared from the accident and health risks inherent to the sector. The workers complain that they have little knowledge about the occupational risks related to the work they are doing, while the employers do not have sufficient resources to take preventive measures. The results of the survey confirm that only 7 per cent of workers believe to be in danger when in the workplace. Despite the fact that over 35 per cent of them work in enterprises where more than 10,000 workers may be concentrated, only 10 per cent of them believe that their workplace is overcrowded.

However, a more in-depth survey has found that the workers in this sector are fully exposed to a number of risks. Dangers in the working environment can arise from a number of factors which are harmful or damaging to the workers' health. Nineteen per cent of workers affirm that they often stand for an extended period at work, 14 per cent are often exposed to the sun for long periods, 13 per cent state that they are often exposed to cotton dust and 11 per cent have to endure frequent noise pollution (figure 40). As to hygiene, only 4 per cent of the workers questioned feel that their workplace is dirty or very dirty.

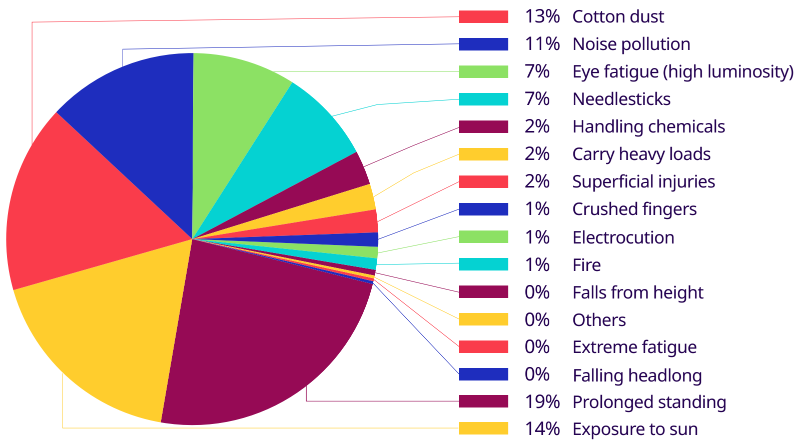
61 ILO, "International Labour Conference adds safety and health to Fundamental Principles and Rights at Work", Press release, 10 June 2022.

62 ILO, Drivers and constraints for OSH improvement in the textile supply chain from Madagascar: A case study, OIT/VZF, 2020.

63 For more information: ILO, Occupational Safety and Health in Global Value Chains Starterkit, 12 November 2018.

64 ILO, Safety and health in the textiles, clothing, leather and footwear industries, Compendium of ILO practice (Geneva, 2022).

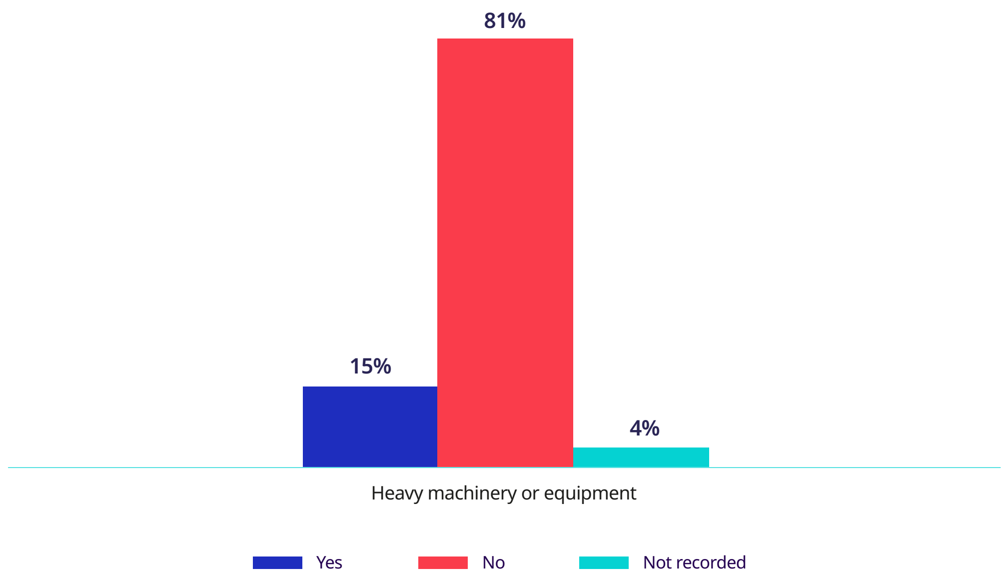
▶ **Figure 40. Risks to which workers are exposed (as a percentage)**



Source: ILO analysis 2022; ONEF survey, November 2021.

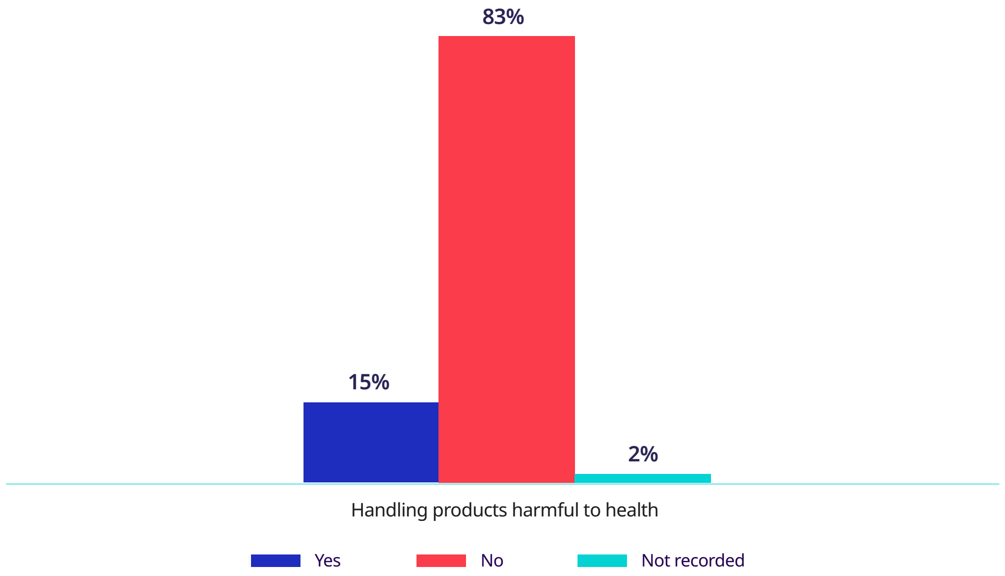
While they do not focus on the most common risks, figures 41 and 42 below show the percentages of workers who operate heavy machinery and equipment and workers who handle chemical products in performing their tasks. Almost 15 per cent of the workers use heavy equipment such as sewing machines, cutting machinery, transfer equipment, welding devices and stitching machines. Likewise, around 15 per cent of the workers say that they are exposed to products that are dangerous to health, such as gas, petroleum and its by-products, paint, hydrochloric acid and other chemicals. The workers in agriculture and ginning most often mentioned insecticide as the chemical product to which they were most frequently exposed.

▶ Figure 41. Use of heavy machinery and equipment at work (as a percentage)



Source: ILO analysis 2022; ONEF survey, November 2021.

▶ Figure 42. Handling of products harmful to health (chemicals, explosives, inflammables) (as a percentage)

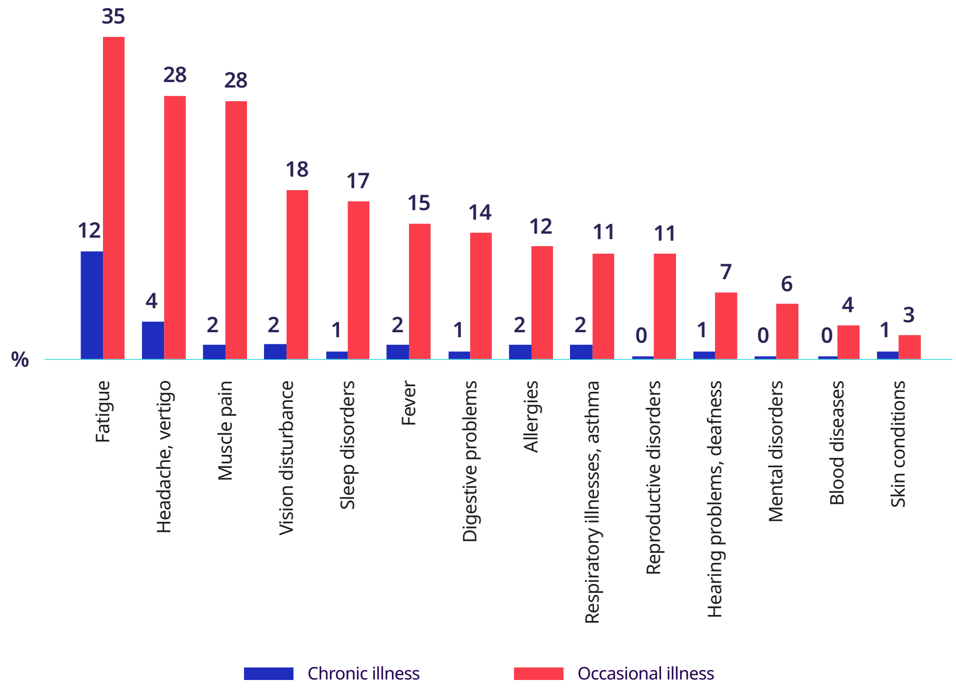


Source: ILO analysis 2022; ONEF survey, November 2021.

Overall, 61 per cent of the workers state that their workplace does not damage their health. Only 6 per cent believe it to be seriously harmful. This can be explained by workers' ignorance of occupational risks related to their work. The survey revealed that 30 per cent of the workers suffer from chronic illnesses.

It was found that the enterprises interviewed sustained a total of 225 days of absence from work because of sickness. Figure 43 below details the types and frequency of the illnesses cited by the workers interviewed. It shows that many of them are subject to occasional sickness. However, a significant number are experiencing chronic illnesses which have been reported to their place of work.

▶ Figure 43. Types and frequency of illnesses among the workers interviewed (as a percentage)



Source: ILO analysis 2022; ONEF survey, November 2021.

Table 8 lists the types of disease and their occurrence among the workers interviewed, for each segment of the supply chain, both chronic and occasional. Analysis of the results shows a disparity between the various segments and type of illness.

▶ Table 8. Types and frequency of among the workers interviewed, by supply chain segment (as a percentage)

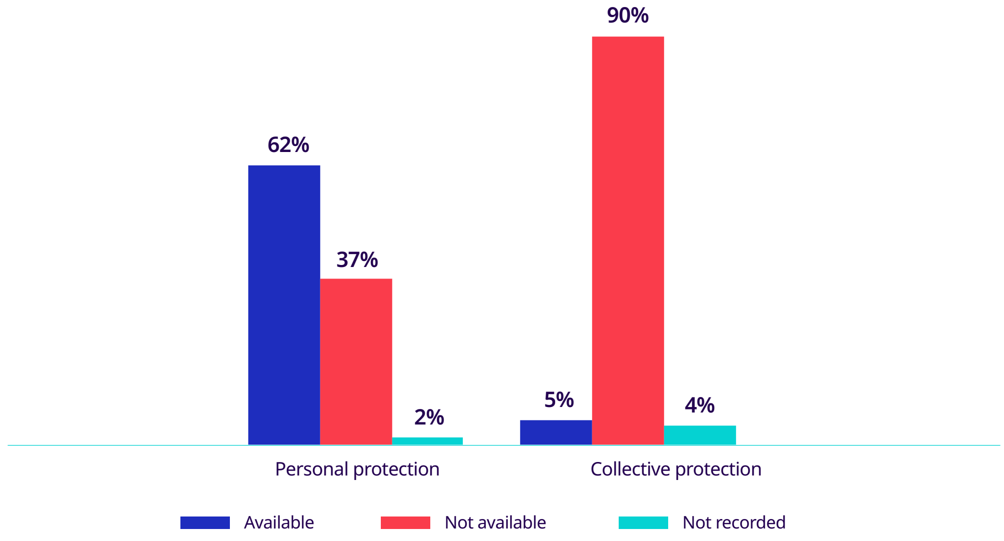
	Supply chain segment		
	Agriculture and ginning	Spinning and weaving	Manufacturing and distribution
Fatigue	53	37	45
Headache, vertigo	30	41	32
Muscle pain	34	17	30
Vision disturbance	18	26	19
Sleep disorders	23	15	17
Fevers	20	11	17
Digestive problems	15	9	15
Allergies	16	13	13
Respiratory illnesses, asthma	17	11	13
Reproductive disorders	15	9	11
Hearing problems, deafness	9	15	7
Mental disorders	6	4	6
Blood diseases	6	4	3
Skin conditions	4	7	3

Source: ILO analysis 2022; ONEF survey, November 2021.

Protective equipment

Employers have taken steps to make personal protective equipment (PPE) available, but this mandatory requirement is not respected by all. At least 62 per cent of the workers receive PPE (masks, aprons, overalls and, in rare cases, safety footwear). The majority of enterprises (over 90%) have no collective protective equipment (CPE) or firefighting equipment (extinguishers) or in-house emergency response systems (emergency exits). One of the main reasons for these deficiencies seems to be the installation costs.

▶ **Figure 44. Availability of personal and collective protective equipment (as a percentage)**



Source: ILO analysis 2022; ONEF survey, November 2021.

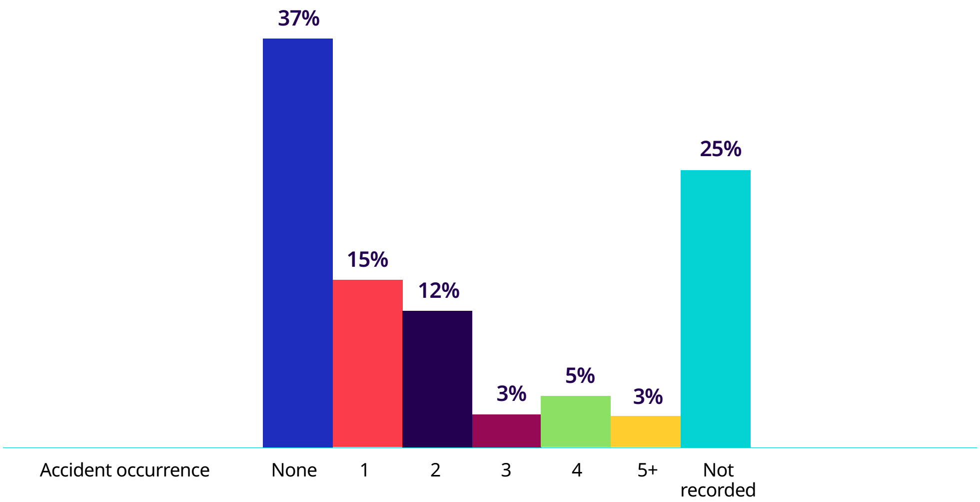
Occupational accidents

The ILO/VZF study showed that there is a lack of locally available CnaPS facilities and SMTs. Likewise, the SMTs offer only limited coverage and quality. It is clear that most farmers and agricultural workers have no health insurance for occupational accidents. These agricultural workers need to be made more aware of the risks to their safety and health at work. In the garment factories, a number of steps have been taken to minimize the risks of occupational accidents or diseases.[65]

Analysis of the data collected by the ONEF confirms some of these results. Overall, 38 per cent of the workers have had at least one accident at work (figure 45) and 11 per cent have had to take more than six days off work following such an accident (figure 46). The survey also revealed that almost 10 per cent of the workers are not covered by their employer in case of an occupational accident, while more than 40 per cent do not know whether they are covered (figure 47). Where coverage is provided, 51 per cent of the workers say that they receive first aid, and 13 per cent state that their employers cover only part of the costs.

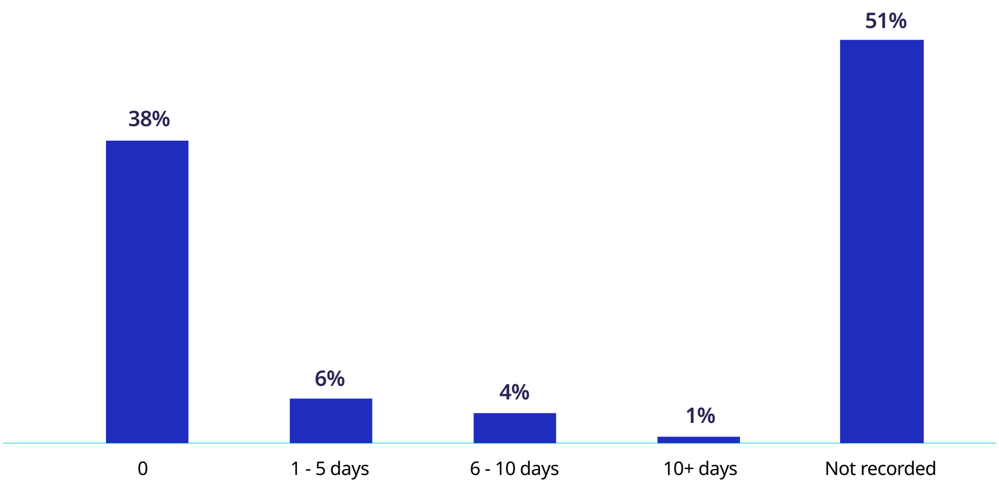
65 ILO, Drivers and constraints for OSH improvement in the textile supply chain from Madagascar: A case study, OIT/VZF, 2020.

▶ **Figure 45. Number of occupational accidents reported by workers (as a percentage)**



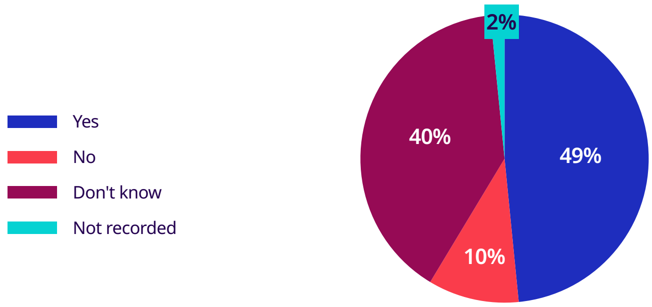
Source: ILO analysis 2022; ONEF survey, November 2021.

▶ **Figure 46. Work stoppages after accidents (as a percentage)**



Source: ILO analysis 2022; ONEF survey, November 2021.

▶ Figure 47. Coverage after an occupational accident (as a percentage)



Source: ILO analysis 2022; ONEF survey, November 2021.

Table 9 shows a breakdown of accidents by sector during the 12 months preceding the survey. Based on the survey it appears that the chance of a worker being exposed to an occupational accident equals to the chance of the worker not being exposed to such an accident at all.

▶ Table 9. Breakdown of accidents by sector over the past 12 months (as a percentage)

No. of accidents over past 12 months	Percentage of accidents by type of activity			Together
	Agriculture and ginning	Weaving	Manufacturing	
No accident	37	73.3	50.2	49.5
1 to 3 accidents	34.3	23.3	44.3	40.7
4 to 5 accidents	26	0	4.8	8.5
More than 5 accidents	2.7	3.3	0.7	1.3
Total	100	100	100	100

Source: ILO analysis 2022; ONEF survey, November 2021.

Globally, occupational accidents have caused serious harm to personnel. They account for 14 per cent of serious illnesses, 2 per cent of deaths, 5 per cent of temporary disability and 3 per cent of permanent disability. Currently, it appears that only 12 per cent of occupational accidents are reported to the CNaPS by employers.

4.5. Social dialogue

Social dialogue, one of the pillars of the Decent Work Agenda, is a subject often discussed at national level by the National Labour Council (CNT), which is a tripartite committee for social dialogue. However, the effectiveness of social dialogue has been restricted by the fact that the CNT is an advisory body.[66] Moreover, it has not been very active in recent years, which raises questions about the introduction of social dialogue institutions. In 2019, the CNT was relaunched by the Prime Minister, formerly the head of the ILO Country Office in Madagascar.

The qualitative survey carried out for this study shows that additional support will be needed in order to strengthen and institutionalize the National Labour Council as a permanent mechanism for social dialogue. Tripartite bodies also exist at the regional level, known as tripartite regional labour councils. However, according to the survey these are hampered by inadequate funding, disagreements about the scope of their mandate, and other issues. Their importance is increasing even more in light of the COVID-19 crisis and its economic impacts on the working population.

At the enterprise level, social dialogue facilitates greater harmony and a formal relationship between employers and workers when it comes to effectively resolving economic and social problems and other industrial disputes that might arise. Staff delegates and trade union representatives are the driving forces behind social dialogue at the enterprise level. It follows that a staff delegate and freedom of association are necessary for workers to effectively participate in social dialogue. Malagasy law requires for a bipartite committee to be set up in enterprises with more than 50 workers.

66 Qualitative survey.

5.

Impact of the COVID-19 pandemic on the supply chain

Impact of the COVID-19 pandemic on the supply chain

At international level, the COVID-19 pandemic produced a domino effect on the textile and garment supply chain. The various restrictions imposed in the trading and logistical contexts placed the sector under dual pressure. On the one hand, the closure of shops and restrictions on movement imposed on the public and the reduction in consumer wages led to a drop in demand for textiles and garments. On the other, supply was reduced considerably because China and other suppliers of raw materials were unable to export.

This situation was worsened by the disruption of transport systems and supply chains worldwide. In 2020, freight movement almost came to a complete halt with the blockages of port entrances. Reduced flows, less frequent services and changes to itineraries, affecting traffic from Asia to northern Europe in particular, led to a steep increase in transport costs. In 2021-22, freight is still a troublesome link in the supply chain. In the context of a rapid recovery by Chinese factories and increased demand from Europe and the United States, maritime transport is faced with a shortage of containers, which are being held up in various ports across the world for health reasons.

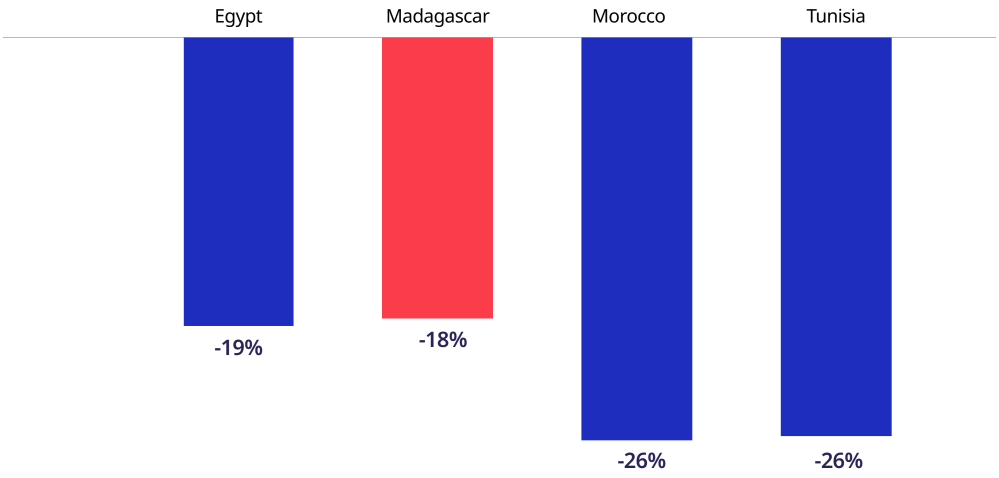
5.1. Repercussions of the pandemic on business activity

The textile and clothing sector in Madagascar was severely affected by the COVID-19 pandemic, which wiped out almost a decade of efforts made in the sector, not only at the economic level but also in social terms, particularly in regard to decent work.

In the context of this study, the economic impacts were felt by almost 26 per cent of the enterprises that participated in the survey, seriously curtailing their activities (figure 50). These downturns were mainly due to the postponement or cancellation of orders received or to come, as well as the increase in costs involved in dealing with the constraints imposed by the pandemic, such as transport stoppages, social distancing in factories, and national measures ranging from the isolation of whole regions to general lockdown and the closure of borders of several countries, preventing or slowing import and export flows, as well as other factors.

Owing to their dependence in terms of sourcing (cotton, synthetics and other inputs), many Malagasy producers experienced problems in meeting their orders, since they could not find raw materials. Mauritius, the country that had supplied yarns and fabrics to the Malagasy clothing industry, closed its borders completely in March 2020. A new national lockdown was imposed in March 2021. Key enterprises such as Consolidated Fabrics Limited (CFL) (Fabrics production–-CIEL Group: Aquarelle, Tropic et Floréal) did not renew their contracts with Malagasy producers in the first lockdown. CFL in particular was seriously affected by the reduced frequency of sea links, which prevented it from delivering to clients. By comparison to Egypt, Morocco and Tunisia, Madagascar's clothing export losses from 2019 to 2020 are lower (figure 48), but they are nevertheless of significance for the Malagasy economy.

▶ Figure 48. Export losses of Egypt, Morocco, Madagascar and Tunisia, 2019-20 (as a percentage)



Source: ILO analysis 2022; ONEF survey, November 2021.

According to a survey conducted jointly by the ILO and the GEFP in April 2020 among enterprises in the textile and clothing sector, 85 per cent of them suffered moderate financial losses because of the health crisis and 63 per cent recorded serious impacts on their cashflows.[67] The chairman of the GEFP also emphasized the great difficulty in which the textile and clothing enterprises found themselves when faced with the closure of key markets, mainly European and American, the cancellation of orders and the consequences for workers, including even the cessation of activity for some.[68] By February 2021, almost 3 per cent of GEM enterprises had closed their doors permanently (44 per cent of its members operate in the textile and garment supply chain).[69]

A survey conducted by the EDBM and reported by the IFC (World Bank Group) estimates that "the industry risk(ed) losing US$ 64 million and up to 60 per cent of its jobs owing to contraction of demand in the main consumer markets, disruptions to the supply chain and large-scale cancellation of orders" at the start of the pandemic in 2020.[70] In the first half of 2020, an EDBM survey of industrial enterprises, among them 19 textile enterprises, found that the percentage of cancelled and postponed orders, although lower by comparison with other industrial sectors, was nevertheless much higher when compared with the level before the crisis (figure 49).

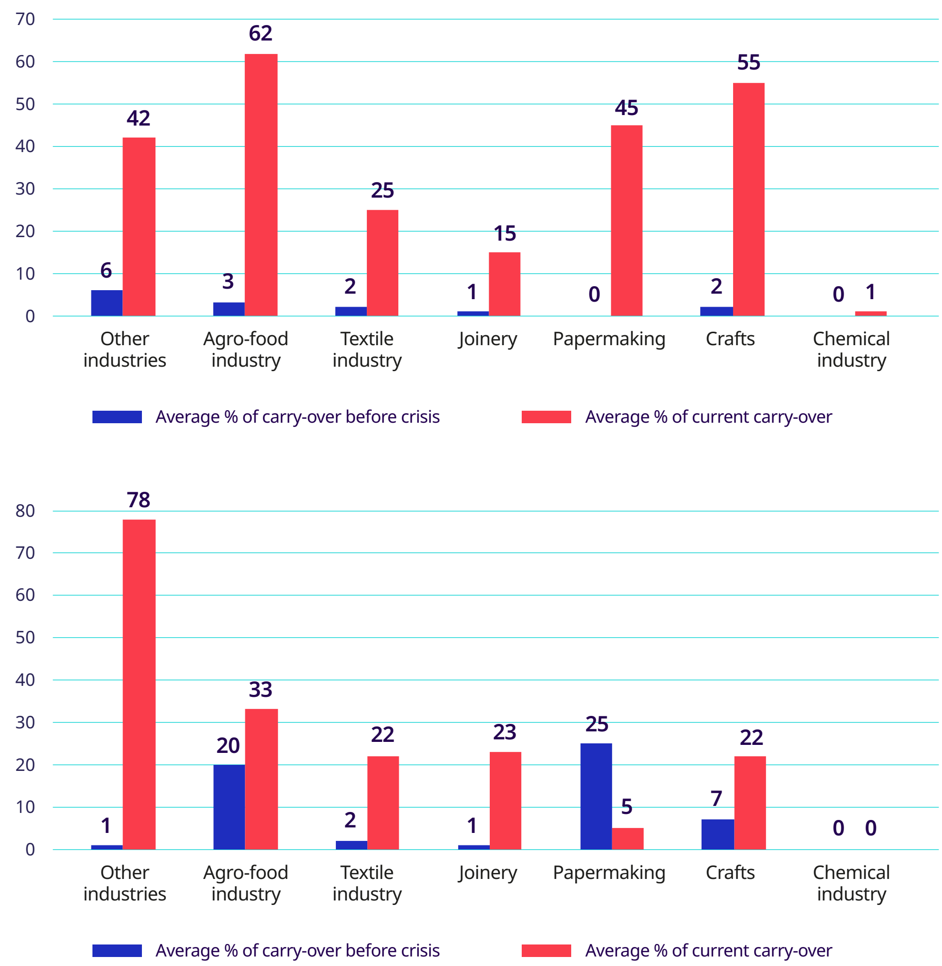
67 Madagascar – Ministry for the Economy and Finance/INSTAT, Impact de la COVID-19 sur les activités des entreprises [Impact of COVID-19 on the activities of enterprises], August 2020.

68 R. Navalona, Entreprises franches: "Tous les marchés extérieurs sont fermés", se plaint Hery Lanto Rakotoarisoa, président du GEFP [Export processing enterprises: "All external markets are closed, » complains [...] the GEFP chairman], *Midimadagasikara*, 1 April 2020.

69 IFC, Country Private Sector Diagnostic.

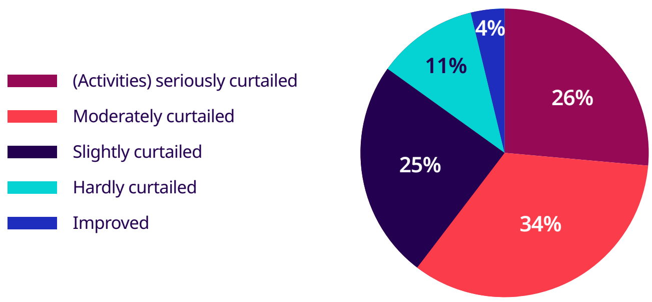
70 IFC, Country Private Sector Diagnostic.

▶ Figure 49. Comparison of cancelled and postponed orders before and after the crisis for several industries in Madagascar (as a percentage), 2020



The survey carried out for our study showed that almost 96 per cent of enterprises had to curtail activities because of the postponement or cancellation of orders received and the organizational changes brought about by the COVID-19 crisis, such as transport stoppages and social distancing in the factory. Significantly, 26 per cent of them seriously curtailed their activities (figure 50).

▶ Figure 50. Perceptions of the impact of COVID-19 on the activities of the enterprises that took part in the survey (as a percentage)



Source: ILO analysis 2022; ONEF survey, November 2021.

As well as a general curtailment of their activities, the main problems encountered by enterprises in 2020-21 were the cost of raw materials (57%), breakdowns in input supply (57%) and trading partnerships (57%), lower than normal demand for textiles and garments (55%), cashflow problems (53%) and shortage of labour (25%).

▶ Table 10. Problems encountered during the COVID-19 pandemic by the enterprises that took part in the survey (as a percentage)

	Supply chain segment			Together
	Agriculture and ginning	Weaving	Manufacturing and distribution	
Insufficient cashflow	64	100	48	53
Absent workers	9	0	30	25
Expensive raw materials	100	50	45	57
Impossible to source inputs	100	0	13	57
Breakdown of trading partnerships	73	100	50	57
Lower than normal demand for textiles and garments	45	50	58	55
Other (reduced revenues)	0	0	8	NA

Source: ILO analysis 2022; ONEF survey, November 2021.

5.2. Strategies and measures implemented by enterprises

To tackle the pandemic, the economic operators in textiles and clothing attempted somehow to protect jobs and maintain a certain level of productivity. With that in mind, 45 per cent of enterprises opted for temporary lay-offs and 32 per cent for compulsory leave. Thirty per cent of the enterprises that took part in the survey restricted their staff training programmes to what was strictly necessary. With regard to EPZ enterprises, the GEFP drew attention, for example, to the postponement of OSH training owing to the persistence of the health crisis.

▶ Table 11. Measures taken by enterprises (as a percentage)

	Supply chain segment			Together
	Agriculture and ginning	Weaving	Manufacturing and distribution	
Non-recruitment of new staff	9	100	35	32
Wage reductions or delayed wage increases	27	0	15	17
Workers dismissals	0	50	15	13
Temporary lay-offs	64	50	40	45
Compulsory or unpaid leave	18	100	33	32
Reduction of training costs	27	100	28	30
Reduction of operating expenses	18	50	33	30
Reduction of maintenance costs	55	100	25	34
Reduction of borrowing costs	18	50	18	19
Other	18	0	5	8

Source: ILO analysis 2022; ONEF survey, November 2021.

After the pandemic, 13 per cent of the enterprises were forced to dismiss workers. The study did not identify any such cases in agriculture and ginning. Among the enterprises that implemented dismissals, almost three quarters parted with some 25 per cent of their workers. It can be seen that 67 per cent of the manufacturing and distribution enterprises dismissed less than 25 per cent of their workers, whereas this level rose to 100 per cent at weaving enterprises.

▶ **Table 12. Breakdown of enterprises which implemented dismissals (as a percentage)**

	Supply chain segment			Together
	Agriculture and ginning	Weaving	Manufacturing and distribution	
Up to 25 %	0	100	67	71
26 % to 50 %	0	0	33	29
More than 50 %	0	0	0	0
Total	0	100	100	100

Source: ILO analysis 2022; ONEF survey, November 2021.

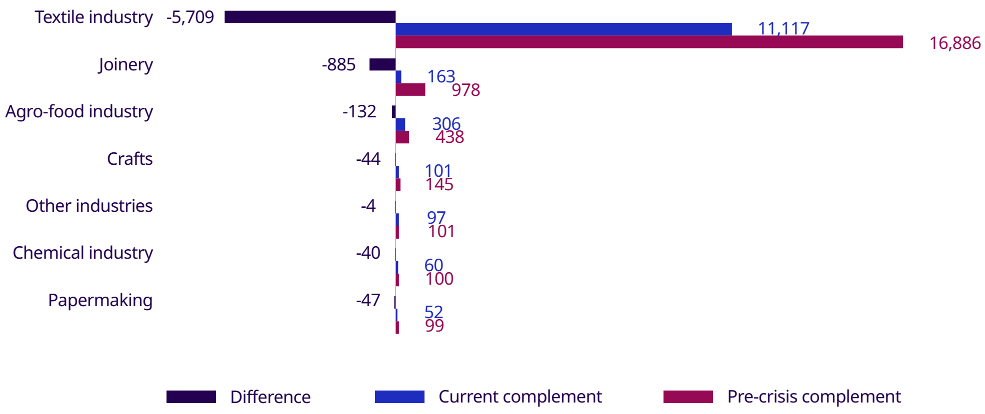
5.3. Impact of the pandemic on workers

5.3.1. Survey by national actors

In general terms, the survey conducted in the framework of this ILO/ONEF study was corroborated by the survey done by the EDBM in 2020 on light industries, which covers 19 enterprises in the textile and garment supply chain.[71] Figure 51 shows that 84 per cent of the jobs lost during the crisis among the enterprises questioned for the survey were in textiles and clothing, whereas these enterprises represented only 40 per cent of the interviewed sample. The workers in this sector were severely hit, with almost 38 per cent loss of jobs from 2019 to 2020, again according to the EDBM survey. This is borne out by the study conducted by the ILO and the GEFP on enterprises which have already or are planning to put workers out of work. According to this study, 32 per cent of these enterprises will shed at least 20 per cent of the jobs in their organizations.

71 EDBM, Les impacts de la crise covid-19 sur l'économie malgache [Impacts of COVID-19 on the Malagasy economy],10 June 2020.

▶ **Figure 51. Impact of the crisis on staff numbers in the textile industry (in absolute terms)**



Source: EDBM survey on impact of COVID-19 on light industry, 2020.

The drop in staff numbers mainly concerns the operator or machinist jobs of persons in post for less than one year; these account for 82.46 per cent of the lost jobs. There are a number of reasons for this:

- These jobs are the least skilled and the easiest to recruit for when activities recommence at pace;
- Letting go of workers with less than one year's seniority is also done for reasons of cost, since among these workers are some who are still in their trial period and thus less expensive to dismiss;
- Dismissing workers with greater seniority would risk serious harm to the level of human capital, through loss of acquired expertise. Dismissing workers who joined the enterprise more recently and have less expertise enables the quality of work to be maintained.

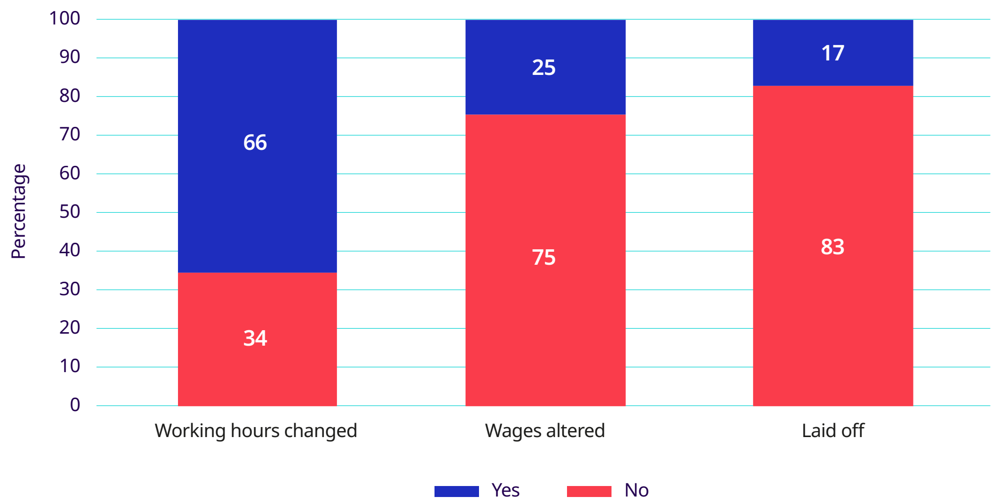
In terms of the social consequences, a situation of this kind exacerbates the vulnerability of workers who are sometimes already in vulnerable circumstances, namely those earning the least (less seniority) and those who are least employable and least attractive in the labour market (less expertise).

5.3.2. ILO/ONEF survey

Overall, the survey conducted for this study found that the average staff complement of the textile and garment factories fell from 1,420 to 1,052, a drop of 25.6 per cent between 2019 and 2020, largely attributable to the economic consequences of the crisis for enterprises.

Some 60 per cent of the workers interviewed suffered disruption from the COVID-19 pandemic. The survey revealed that 66 per cent of them had to deal with a change to their working hours, 25 per cent saw their wages reduced, and 17 per cent were laid off temporarily (figure 52).

▶ **Figure 52. Main impacts of the pandemic on the sample of workers interviewed**



Source: ILO analysis 2022; ONEF survey, November 2021.

Other effects of the crisis were mentioned. For example, some workers noted that those living at a distance from their workplace were also affected, as they were obliged to stay at home. Others mentioned a lack of hygiene and safety during the pandemic, along with other issues including having to take all their leave, reduced sales, increased prices and a shortage of inputs in the farming sector, and a partial or complete shutdown of the enterprise's activities.

In light of these different impacts, the workers had to adopt various tactics in order to compensate for their lack of earnings. Many say that they worked additional hours, reduced their daily and family outgoings or took temporary jobs to generate income. Some still await assistance from the State or have asked their employer for a loan.

5.4. Strategies and measures implemented by the Government

In the face of the COVID-19 pandemic, the Malagasy Government took the necessary preventive and confinement measures to tackle the spread of the disease. Examples are the mandatory wearing of masks, social distancing of at least one metre, regular hand washing and a ban on gatherings of more than 50 people. This situation led enterprises to adopt various strategies.

According to the enterprises interviewed, the COVID-19 pandemic demonstrated the limitations of the laws regulating labour. The health measures taken by the Government had a strong impact on enterprises, especially those in the textile and clothing industry, which were confronted with a legal vacuum on a number of issues. These related to teleworking, lay-offs, contract suspensions, vulnerable workers caught up in the pandemic, and flexible working hours. As a matter of urgency, the Government consulted the private sector to implement measures affecting employment. The revision of the Malagasy Labour Code now under way attempts to address the shortcomings encountered during the pandemic.[72]

As part of its introduction of an industrialisation programme intended to transform the economy (MICA), the Government strengthened its actions in the sector by facilitating the manufacture of 5 million masks, intended to help industries maintain jobs.[73]

72 E. Ranjalahy, «Overhaul – L'avant-projet du Code de travail à peaufiner», [Revision – the draft Labour Code to be finalized], *L'Express de Madagascar*, 17 February 2022.

73 EDBM, Yearbook, Economic report.

6. Recommendations

Recommendations

In light of the information contained in the previous chapters, the national and sectoral constituents and stakeholders have identified priority avenues for action to improve working conditions throughout Madagascar's textile and garment supply chain while maximizing the existing opportunities to free the sector's potential.

The following recommendations were formulated by the Malagasy constituents during the workshop to validate the preliminary results of this study, held in December 2021.

6.1. Concerning the legal, strategic and institutional framework

- Put in place a national policy or strategy to relaunch and revitalize the textile and clothing sector in Madagascar;
- Strengthen the capacities of stakeholders in respect of labour legislation and worker protection;
- Review and simplify where necessary certain taxation measures and legal provisions in order to facilitate the activities of the MSMEs operating in the supply chain, while assisting them to expand and develop their businesses.

6.2. Concerning decent work

6.2.1. Jobs and working conditions

- Make companies more aware of the risks incurred by workers during night work;
- Call for the enforcement of the minimum wage;
- Offer more competitive wages, especially by comparison with the other regional markets in this sector, and include measures for improving worker motivation (canteens, staff transport, etc.).

6.2.2. Social protection

- Ensure full social protection for workers in every segment of the supply chain, specifically those operating in rural surroundings and isolated regions;
- Ensure that safety and health committees are systematically introduced in all enterprises, specifically factories;
- Take account of ergonomic parameters in workplace design;
- Take a decision at inter-ministerial level to strengthen the measures for preventing the risks involved in handling chemical.

6.2.3. Fundamental principles and rights at work

- Step up the actions to educate and inform social actors about the fundamental principles and rights at work;
- Abolish forced child labour throughout the supply chain using the necessary support measures;
- Bring the social actors in line with trade union good practices in enterprises, and raise awareness about freedom of association;

- Revive the collective bargaining structures within enterprises;
- Ensure the enforcement of the laws and regulations governing non-discrimination and equal treatment in programmes to promote decent work;
- Strengthen the capacities of social actors to manage occupational safety and health risks throughout the supply chain, to inform them of the dangers but also to prepare them to react more effectively.

6.2.4. Social dialogue

- Strengthen the capacities of social actors and labour inspectors in matters relating to social dialogue and conflict prevention;
- Equip the labour inspectorate with the necessary resources, such as vehicles, communication tools and computer systems;
- Support the implementation of the enforcement decree for the laws concerning the promotion of social dialogue;
- Introduce a tripartite platform for social dialogue at sectoral level;
- Promote social dialogue in enterprises between the workers and the employer.

The study also underscores the need to take additional measures in the above-mentioned areas. Taking into account the opportunities and challenges identified in the textile and clothing industry in Madagascar, the following suggestions are made:

- Concerning the legal, strategic and institutional context, endeavour to: (1) facilitate the coordination of interventions by key stakeholders aimed at guaranteeing opportunities to develop the sector while instilling sustainability and resilience in matters concerning respect for human rights; (2) facilitate collaboration among social actors in their interventions along the textile supply chain; (3) facilitate the integration of new provisions in the Labour Code as a response to the worldwide political, economic and health crises and as preparation for potential future crises, bearing in mind the consequences of the COVID-19 pandemic; (4) improve the investment climate and the business environment by introducing, for example, an investment code to help attract more direct investment from abroad, given the sector's importance for the Malagasy economy; (5) increase Madagascar's market shares by fully exploiting the expertise and industrial relations accumulated since the industry's inception; and (6) invest in the strengthening of infrastructure, particularly in transport, given the distance between Madagascar and its principal markets.
- Concerning improvements to working conditions, endeavour to: (1) take incentive measures aimed at bringing informal enterprises into the formal economy; (2) promote more stable employment contracts to workers in the supply chain; (3) respect the national regulations on working hours and overtime; (4) regulate dismissals and provide assistance in resolving employer-worker disputes; (5) identify the skills relevant to the development of the textile and garment supply chain in line with market requirements; and (6) develop and provide more vocational training in the sector's occupations to improve the skills of current and future workers.
- Concerning the fundamental principles and rights at work, endeavour specifically to strengthen the campaign to ratify the ILO Violence and Harassment Convention, 2019 (No.190).

7. Conclusion

Conclusion

The global textile and clothing supply chain is characterized by wide variations in resources, from raw materials to final consumption. In Report No. IV to ILC 105, concerning decent work in global supply chains, the ILO describes the latter as multi-directional and refers to the dominance of contracting enterprises over their suppliers, in particular where product quality is concerned.[74] The outbreak of the COVID-19 pandemic disrupted the functioning of the textile and garment supply chain and demonstrated the limitations of interdependence. The prosperity of the textile and clothing supply chain was not immune to the negative ripple effects of the pandemic. The economic consequences for the global textile supply chain found further expression in working conditions.

In Madagascar, textiles and clothing form one pillar of the economy, and constitute a sector with great export potential. The survey conducted in the framework of this study revealed certain decent work deficits. However, the arsenal of legal and institutional arrangements with a direct bearing on the textile supply chain in Madagascar testifies to a continued effort to improve working conditions. Madagascar remains a privileged market that could be better exploited where textiles and clothing are concerned. The sector and its actors are known internationally for the quality of their exported products. Malagasy talent "reaches the highest levels"[75] and attracts the top international brands.

In addition to providing key information for national actors to use in developing policies to promote decent work in the textile and clothing sector in Madagascar, the recommendations above guide the ILO's work in Madagascar. Through the four projects[76] being implemented simultaneously in the sector and in the country, the ILO is already supporting the national constituents to apply some of these proposals. Specifically, this study conducted as part of the joint ILO-EU project and the activities resulting from it will contribute to a concerted effort to involve key partners in their full implementation. Collectively, the social actors, with ILO support, will doubtless strengthen the stability of the textile and garment supply chain in Madagascar and contribute to a business environment more conducive to investment. Already, several international organizations including the World Bank, the International Finance Corporation, the French Development Agency, the EU Delegation, the African Development Bank and many others are establishing a post-COVID-19 recovery plan[77] which will benefit the Malagasy textile and clothing industry.

74 ILO, Decent work in global supply chains, Report No. IV, International Labour Conference, 105th Session, Geneva, 2016.

75 EDBM, "Nimble fingers in Madagascar".

76 Better Work Madagascar, Sustainable Supply Chains to Build Forward Better, Trade for Decent Work and Zero Vision Fund.

77 EDBM, "Nimble fingers in Madagascar".

8. Annexes

Annexes

8.1. Sampling

Segment of the textile and garment supply chain in Madagascar	No. of entities actually interviewed	No. of workers interviewed
Agriculture, drying and ginning of cotton	11	98
Cotton spinning and processing and fabric manufacture	2	46
Garment manufacture and distribution	40	358
Total	53	502

8.2. List of enterprises approached during the quantitative and qualitative surveys

8.2.1. Quantitative survey

Enterprise (individual or legal person)		Region	Town
1.	AKANJO	Analamanga	Antananarivo
2.	ANTANA production	Analamanga	Antananarivo
3.	ARAWAK	Analamanga	Antananarivo
4.	Atelier radavy	Analamanga	Antananarivo
5.	BAOBAB	Analamanga	Antananarivo
6.	CAPRICORNE CONFECTION	Analamanga	Antananarivo
7.	CFP Politec	Vakinankaratra	Antsirabe
8.	CHRISANTE JOEL LADYSLAS	Vakinankaratra	Antsirabe
9.	Compagnie textile	Vakinankaratra	Antsirabe
10.	FARANIAINA DOMOINA	Vakinankaratra	Antsirabe
11.	FIDINIAINA	Vakinankaratra	Antsirabe
12.	FLOREAL	Analamanga	Antananarivo
13.	FLOREAL	Vakinankaratra	Antsirabe
14.	Gilbert R	Analamanga	Antananarivo
15.	GRACE PROD	Analamanga	Antananarivo

Enterprise (individual or legal person)		Region	Town
16.	GROVE INDUSTRY	Analamanga	Antananarivo
17.	Hibiscus production	Analamanga	Antananarivo
18.	INDOSUMA S.A	Atsimo Andrefana	Toliara
19.	KALIANA	Analamanga	Antananarivo
20.	KFBMH	Atsimo Andrefana	Toliara
21.	KFBMH/AVISOA	Atsimo Andrefana	Toliara
22.	KFBMH/ZANTENA	Atsimo Andrefana	Toliara
23.	KFBMH TOVONDRAINY	Atsimo Andrefana	Toliara
24.	KFBMH/ALBERT	Atsimo Andrefana	Toliara
25.	KFBMH/BRUNO	Atsimo Andrefana	Toliara
26.	KFBMH/TSIMIHANTA FREDERIC	Atsimo Andrefana	Toliara
27.	KFBMH/WILITER	Atsimo Andrefana	Toliara
28.	KFBMH/ZESSE	Atsimo Andrefana	Toliara
29.	KFBMH-MBOROZO	Atsimo Andrefana	Toliara
30.	LAGUNA M/CAR	Vakinankaratra	Antsirabe
31.	Cynthia X	Analamanga	Antananarivo
32.	Angela X	Analamanga	Antananarivo
33.	Celine X	Analamanga	Antananarivo
34.	Claudia X	Analamanga	Antananarivo
35.	Noella X	Analamanga	Antananarivo
36.	MKLEN MADAGASCAR	Analamanga	Antananarivo
37.	PAMELA	Analamanga	Antananarivo
38.	Pav 146	Analamanga	Antananarivo
39.	Pav 206	Analamanga	Antananarivo
40.	Pav 228	Analamanga	Antananarivo
41.	Pav 230	Analamanga	Antananarivo
42.	Pav 90	Analamanga	Antananarivo
43.	PLG Confec SA	Analamanga	Antananarivo
44.	PUB DANNY	Analamanga	Antananarivo
45.	RAHANTANIRINA	Vakinankaratra	Antsirabe
46.	RAKOTOARIVELO Faniry	Vakinankaratra	Antsirabe
47.	Ramandihamanana Jeannet	Vakinankaratra	Antsirabe
48.	RANDRIANAIVO Herintsaina	Vakinankaratra	Antsirabe
49.	RAZANAMALALA Sahondra	Vakinankaratra	Antsirabe
50.	SOMACOU	Analamanga	Antananarivo
51.	STAR CONFECTION	Analamanga	Antananarivo
52.	SUPRA KNITS	Analamanga	Antananarivo
53.	ULTRAMAILLE	Analamanga	Antananarivo

8.2.2. Qualitative survey

At national level

Institutions	
1.	AMIT
2.	CENAM
3.	CNaPS
4.	CTM
5.	Directorate General, Ministry for Industry
6.	EDBM
7.	EFOI
8.	FISEMA
9.	FISEMARE
10.	FIVMPAMA
11.	GFEM
12.	Labour Inspectorate
13.	Ministry for the Craft Industry
14.	OSTIE
15.	SEKRIMA

International brands contacted

Brands	
1.	Amazon
2.	Asos
3.	Bonpoint
4.	C&A
5.	Caroll
6.	CFL
7.	Cyrillus
8.	Fast Retailing Co., Ltd
9.	John Lewis
10.	Lacoste
11.	Levi Strauss & Co.
12.	Levi Strauss & Co.
13.	OKAÏDI
14.	Petit Bateau
15.	PVH
16.	Vertbaudet
17.	ZARA INDITEX

8.3. ILO Conventions ratified by Madagascar

Madagascar has ratified 47 Conventions and two Protocols, including 7 out of 10 Fundamental Conventions, 4 Governance (Priority) Conventions and 35 Technical Conventions. Out of this total, **42** are in force, **5** Conventions have been denounced and **2** instruments have been abrogated.[78]

8.3.1. Fundamental

Convention	Date of ratification	Current status
C029 – Forced Labour Convention, 1930 (No. 29) *P029 – Protocol of 2014 to the Forced Labour Convention, 1930, ratified on 11 June 2019 (In force)*	1 Nov. 1960	In force
C087 – Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)	1 Nov. 1960	In force
C098 – Right to Organise and Collective Bargaining Convention, 1949 (No. 98)	3 June 1998	In force
C100 – Equal Remuneration Convention, 1951 (No. 100)	10 August 1962	In force
C105 – Abolition of Forced Labour Convention, 1957 (No. 105)	6 June 2007	In force
C111 – Discrimination (Employment and Occupation) Convention, 1958 (No. 111)	11 August 1961	In force
C138 – Minimum Age Convention, 1973 (No. 138) *Minimum age specified: 15 years*	31 May 2000	In force
C182 – Worst Forms of Child Labour Convention, 1999 (No. 182)	4 Oct. 2001	In force

8.3.2. Governance (Priority)

Convention	Date	Current status
C081 – Labour Inspection Convention, 1947 (No. 81)	21 Dec. 1971	In force
C122 – Employment Policy Convention, 1964 (No. 122)	21 Nov. 1966	In force
C129 – Labour Inspection (Agriculture) Convention, 1969 (No. 129)	21 Dec. 1971	In force
C144 – Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)	22 April 1997	In force

78 ILO, Normlex, Ratifications for Madagascar.

8.3.4. Technical

Convention	Date	Current status	Note
C004 – Night Work (Women) Convention, 1919 (No. 4)	1 Nov. 1960	Not in force	Abrogated Convention – By decision of the ILC at its 106th Session (2017)
C005 – Minimum Age (Industry) Convention, 1919 (No. 5)	1 Nov. 1960	Not in force	Automatic denunciation on 31 May 2001 by Convention No.138
C006 – Night Work of Young Persons (Industry) Convention, 1919 (No. 6)	1 Nov. 1960	In force	
C011 – Right of Association (Agriculture) Convention, 1921 (No.11)	1 Nov. 1960	In force	
C012 – Workmen's Compensation (Agriculture) Convention, 1921 (No. 12)	10 August 1962	In force	
C013 – White Lead (Painting) Convention, 1921 (No. 13)	1 Nov. 1960	In force	
C014 – Weekly Rest (Industry) Convention, 1921 (No. 14)	1 Nov. 1960	In force	
C019 – Equality of Treatment (Accident Compensation) Convention, 1925 (No. 19)	10 August 1962	In force	
C026 – Minimum Wage-fixing Machinery Convention, 1928 (No. 26)	1 Nov. 1960	In force	
C033 – Minimum Age (Non-industrial Employment) Convention, 1932 (No. 33)	1 Nov. 1960	Not in force	Automatic denunciation on 31 May 2001 by Convention No.138
C041 – Night Work (Women) Convention (Revised), 1934 (No. 41)	1 Nov. 1960	Not in force	Abrogated Convention – By decision of the ILC at its 106th Session (2017)
C052 – Holidays with Pay Convention, 1936 (No. 52)	10 August 1962	Not in force	Automatic denunciation on 7 February 1973 by Convention No.132
C088 – Employment Service Convention, 1948 (No. 88)	3 June 1998	In force	
C089 – Night Work (Women) Convention (Revised) 1948 (No. 89) *P089 – Protocol of 1990 to the Night Work (Women) Convention (Revised), 1948, ratified on 10 November 2008 (In force). Has ratified the Protocol of 1990*	10 Nov. 2008	In force	
C095 – Protection of Wages Convention, 1949 (No. 95) *Excluding Article 11, by virtue of the ratification of Convention No. 173 (acceptance of Part II)*	1 Nov. 1960	In force	
C097 – Migration for Employment Convention (Revised), 1949 (No. 97) *Has excluded the provisions of Annex III*	14 June 2001	In force	
C101 – Holidays with Pay (Agriculture) Convention, 1952 (No. 101)	10 August 1962	Not in force	Automatic denunciation on 7 February 1973 by Convention No. 132
C116 – Final Articles Revision Convention, 1961 (No. 116)	1 June 1964	In force	
C117 – Social Policy (Basic Aims and Standards) Convention, 1962 (No.117)	1 June 1964	In force	

Convention	Date	Current status	Note
C118 – Equality of Treatment (Social Security) Convention, 1962 (Nol.118) *Has accepted branches (b) to (d) and (g)*	22 June 1964	In force	
C119 – Guarding of Machinery Convention, 1963 (No. 119)	1 June 1964	In force	
C120 – Hygiene (Commerce and Offices) Convention, 1964 (No. 120)	21 Nov. 1966	In force	
C123 – Minimum Age (Underground Work) Convention, 1965 (No.123)	23 Oct. 1967	Not in force	Automatic denunciation on 31 May 2001 by Convention No.138
C124 – Medical Examination of Young Persons (Underground Work) Convention, 1965 (No. 124)	23 Oct. 1967	In force	
C127 – Maximum Weight Convention, 1967 (No.127)	4 Jan. 1971	In force	
C132 – Holidays with Pay Convention (Revised), 1970 (No.132) *Length of holiday specified: 3 weeks. Has accepted the provisions of Article 15, paragraph 1 (a) and (b).*	8 Feb. 1972	In force	
C143 – Migrant Workers (Supplementary Provisions) Convention, 1975 (No.143)	11 June 2019	In force	
C151 – Labour Relations (Public Service) Convention, 1978 (No.151)	11 June 2019	In force	
C154 – Collective Bargaining Convention, 1981 (No. 154)	11 June 2019	In force	
C159 – Vocational Rehabilitation and Employment Convention, 1983 (No.159)	3 June 1998	In force	
C171 – Night Work Convention, 1990 (No.171)	10 Nov. 2008	In force	
C173 – Protection of Workers' Claims (Employer's Insolvency) Convention, 1992 (No.173) *Has accepted the obligations of Part II*	3 June 1998	In force	
C181 – Private Employment Agencies Convention, 1997 (No.181)	11 June 2019	In force	
C185 – Seafarers' Identity Documents Convention (Revised), 2003, as amended (No.185)	6 June 2007	In force	
Amendments of 2016 to the Annexes of Convention No.185	8 June 2017	In force	
C189 – Domestic Workers Convention, 2011 (No. 189)	11 June 2019	In force	

8.4. Observations and requests of the Committee of Experts on the Application of Conventions and Recommendations, 2022

Extract

"The Committee notes with **deep concern** that, for the third year, the reports due on ratified Conventions have not been received. Thirty-four reports are now due on fundamental, governance and technical Conventions, including the first reports on the Migrant Workers (Supplementary Provisions) Convention, 1975 (No.143), the Labour Relations (Public Service) Convention, 1978 (No.151), the Collective Bargaining Convention, 1981 (No.154), the Private Employment Agencies Convention, 1997 (No.181) and the Domestic Workers Convention, 2011 (No.189). In addition, most of these reports should have included information in reply to the Committee's comments.

The Committee launches an **urgent appeal** to the Government to send its reports without delay, and advises the Government that, even in the absence of these reports, the Committee may fully review the application of these Conventions at its next meeting on the basis of the available information.

Recalling that technical assistance was provided on these issues last year by the International Training Centre of the ILO, the Committee firmly hopes that the Government will soon submit all its reports in accordance with its constitutional obligation and that it will respond to the Committee's comments".[79]

79 ILO, Report of the Committee of Experts on the Application of Conventions and Recommendations, Report III (Part A), International Labour Conference, 110th Session, Geneva, 2022.

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