

Independent High-Level Evaluation of the ILO's Better Work Programme (2014-25) with a focus on Phase V Strategy (2022-2027)

September 2025

DFAT Management Response to Partner-led Independent High-Level Evaluation

The Better Work Programme is a collaboration between the International Labour Organization (ILO) and International Finance Corporation (IFC). Australia's investment in Better Work is well aligned with its *International Development Policy*. It supports Better Work activities in four Indo-Pacific developing countries: Bangladesh, Cambodia, Sri Lanka, and Vietnam.

Better Work promotes economic resilience and inclusive growth by partnering with governments, the private sector, unions, and workers. It aims to help improve labour standards, reduce gender discrimination, and boost the competitiveness of the garment industry in developing countries, where women and girls make up over 60 per cent of the industry's 94 million workers, reaching nearly 80 per cent in some regions. Asia is the largest employer of garment sector workers, accounting for 75 per cent of the sector's workers. Approximately 42 million women and girl garment workers are employed in Asia. Better Work has a strong gender focus, working to empower women and girls, reduce sexual harassment, and close the gender pay gap. Australia championed the Programme's *Global Gender Strategy*.

The 2025 High Level Evaluation (HLE) of the Better Work Programme provides an independent review of the Programme's successes and challenges, with a specific focus on the Programme's current Phase V. The HLE included a document review, a meta-study of project evaluations, stakeholder consultations with 370 participants, and two surveys, one of ILO national constituents in Programme countries and one of ILO staff. The evaluation team conducted field work in Bangladesh, Cambodia, Indonesia, and Vietnam and interviewed current and former Better Work staff across all other country programs. DFAT was involved in reviewing the Terms of Reference of the evaluation and in reviewing draft and final reports.

The Evaluation found

- i) The Better Work Programme has made contributions to **improving factory-level compliance with labour standards, increasing productivity, and enhancing working conditions in the garment sector.**

- ii) The Programme has **made significant progress in gender equality**, introducing tools and training that have narrowed pay gaps and expanded opportunities for women workers. **Inclusion of migrant workers and persons with disabilities has also improved** through targeted pilots.
- iii) The Programme's focus on sectoral strategies, labour governance institutions, and national policy reforms has shown **potential to enhance the Programme's relevance and increase national ownership, but significant implementation challenges persist.**
- iv) **The Programme remains largely donor dependent.** While some country programs have made progress in planning transitions to national ownership, most still need to develop clearly defined exit strategies or sustainable financing mechanisms.
- v) At the factory level, persistent issues remain including **occupational safety and health (OSH), and freedom of association and collective bargaining (FOACB).**
- vi) Better Work's **engagement with global apparel brands continues to be critical to its success.** Brand partnerships have driven factory enrolment, co-financing, and alignment with sourcing practices that support responsible business conduct.

DFAT's response to the Independent High-Level Evaluation

DFAT accepts the evaluation's findings and agrees or partially agrees with its five recommendations.

DFAT welcomes the evaluation's finding that the Programme needs to ensure its sustainability, including by planning for handovers with clear timeframes and undertaking strategic planning on funding. DFAT encourages continued work on financial sustainability and transition models tailored to Better Work's country programs.

DFAT appreciates the significant strides the Programme has made in improving gender equality and women's economic equality in the garment industry in partner countries. We note potential for the Programme to have additional impact on other cross cutting issues, including climate change, environmental sustainability, disability equity, and inclusion.

DFAT notes Better Work is currently planning for its next strategic phase. We emphasise the need for early engagement with all partners, including donors, the private sector, government bodies, and other relevant institutions.

DFAT also notes the need for ongoing communication with donors and other partners, including real time updates during incidents affecting the textiles industry in country and global programs. Transparency demonstrates genuine partnership, highlights the challenges facing country programs, and demonstrates Better Work's commitment to generating positive impact in the garment sector, while ensuring continued visibility of risks as they evolve.

DFAT is an active participant of the Better Work Advisory Committee, which holds biannual meetings to discuss and decide on ongoing strategic, governance and financial arrangements of the Programme. We are actively engaged with country program directors in Bangladesh, Cambodia, Sri Lanka and Vietnam, including through capital-based, in-country mission, and headquarter engagement.

DFAT looks forward to working with the Better Work Programme as it continues to develop sustainability models and engage in strategic planning for future phases. We acknowledge the importance of aligning the Programme's monitoring and evaluation milestones in line with its strategic phases.

Recommendation	Better Work Response	DFAT Response	DFAT Explanation	Action Plan / implementing party	Timeframe / resources
Recommendation 1 To maintain Programme credibility, ensure continuity of services, and manage expectations among	On Recommendation 1, the Office reaffirms its commitment to timely, responsible and inclusive	Agree	DFAT agrees Better Work should have clear and agreed timeframes for handover to national	Responsible Units: - Governance and Tripartism Department: ILO	Priority: High Time Implications: Immediate

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<p>constituents, industry partners, and donors, Better Work should accelerate planning for its phased withdrawal in long-standing programs.</p> <ul style="list-style-type: none"> • Continue to empower each country program to develop its own transition plan, grounded in the national context and ILO constituent priorities and capacities. • Shift monitoring, advisory and training to local institutions to deliver lower-cost, more efficient, and scalable services while maintaining Better Work’s standards: <ul style="list-style-type: none"> ○ Accredit and support local market-based entities or non-profits to oversee core compliance assessment and advisory roles ○ Anchor their legitimacy within a tripartite governance structure—government, workers, and employers—with the ILO and IFC providing advisory and quality-assurance support ○ Introduce robust Better Work safeguards: Provide quality assurance and enhance credibility of service providers through capacity building, certification protocols, and audits 	<p>transition planning for long-standing Better Work programs. Country-based teams are co-designing context-specific plans based on constituents’ priorities and, where relevant, Decent Work Country Programmes (DWCPs). Better Work will clarify timelines, roles and measurable benchmarks, and will regularly review plans within the Programme’s global governance structure and with tripartite project advisory committees at the national level. Standard operating procedures and quality frameworks are under development to guide the conferral of tools to external entities. For example, in Indonesia and Bangladesh, private and/or public partners will deploy harmonized tools and methodologies at the enterprise level.</p>		<p>governments or private partners. Such timeframes would establish clear indicators to strengthen sustainability of the Programme. DFAT welcomes Better Work’s development of frameworks and procedures to guide the handover process. DFAT supports the tripartite governance structure with collaboration between governments, workers and employers to provide monitoring, advice and training through local institutions. We note the need for initiatives to be locally-led and based on local or regional needs and capacity gaps.</p>	<p>Better Work Management group - BW country program managers - ILO CO directors</p>	<p>Resource implications: Medium</p>

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<ul style="list-style-type: none"> Establish clear timelines, division of responsibilities, and measurable benchmarks to guide the phased withdrawal of Better Work from its current role delivering factory engagement activities. Clarify and document legal considerations—both at national and HQ levels—as well as required Quality Assurance mechanisms and Standard Operating Procedures for conferring use of Better Work tools, methodologies, and brand identity to external entities (e.g. foundations, market-based institutions, or social partner training bodies). Allocate dedicated senior staff or consultants to prioritize these tasks and engage constituents and stakeholders throughout the process. Consider establishing a regular progress review mechanism to manage risks and ensure alignment with Better Work’s quality standards. 					
<p>Recommendation 2 To strengthen its sustainability, adaptability, and efficiency, Better Work should accelerate the evolution of its factory engagement model by</p>	<p>On Recommendation 2, the Office will support Better Work in advancing efficiency measures, cost recovery and the scalability and sustainability of its factory</p>	<p>Agree</p>	<p>DFAT acknowledges the efforts of the Programme to diversify its funding sources. DFAT agrees that refining program</p>	<p>Responsible Units - Governance and Tripartism Department: ILO Better Work Management group</p>	<p>Priority: High Time Implications: Immediate to medium term</p>

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<p>enhancing its flexibility, scalability, cost recovery and efficiency. Specific priorities include:</p> <ul style="list-style-type: none"> • Diversify funding sources: Reduce donor dependence by increasing contributions from a broader range of stakeholders, including the private sector and government, to strengthen sustainable local ownership. • Refine program segmentation and engagement: <ul style="list-style-type: none"> ○ Implement Persistently Non-Compliant and High-Performing Factory protocols to guide differentiated services, including clear exit and graduation criteria ○ Review and broaden High-Performing Factory benchmarks to increase eligibility and secure buy-in from stakeholders and brands. • Enhance data collection efficiency <ul style="list-style-type: none"> ○ Pilot lighter compliance monitoring methods—such as sampling, baseline/endline surveys, and predictive analytics—to reduce fieldwork intensity without compromising data quality or comparability. 	<p>model. Funding has diversified to include contributions from buyers, factories, governments, employers and export agencies. These contributions increasingly cover the costs of factory operations (between 63 and 100 per cent) in country-based programs. Further funding diversification is being pursued. Additionally, Better Work is implementing the recommendations of the high-level evaluation on resource efficiency and conferring the use of tools, and will explore further options to accelerate sustainability, reduce costs and enhance model replicability.</p>		<p>segmentation is needed for scalability, with an emphasis on the need for exit strategies for countries with long term and high performing programs. Clear timeframes to guide exit and graduation strategies will help ensure sustainability across Better Work’s country programs.</p>	<p>- Better Work country program managers</p>	<p>Resource Implications: Variable</p>

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<ul style="list-style-type: none"> • Expand and institutionalize Factory Ambassador training <ul style="list-style-type: none"> ○ Integrate ambassador training into the Better Work Academy, local training institutions, and social-partner platforms, with safeguards to protect those reporting sensitive issues. 					
<p>Recommendation 3</p> <p>To further reinforce synergy within the ILO, Better Work and ILO technical specialists and units should deepen their collaboration through integrated programming that reinforces the ILO’s core mandates.</p> <ul style="list-style-type: none"> • Continue joint efforts to strengthen industrial relations, grievance handling mechanisms, wage policies, and social protection systems through coordinated, cross-departmental initiatives. • Pursue funding opportunities that support the launch of new Better Work programmes under a “One ILO” approach, ensuring adequate resources for a minimum programme duration of five years—or longer—based on context. Maintain the practice of conditioning entry into new countries on host government commitments to 	<p>On Recommendation 3, the Office will continue to strengthen Better Work’s synergies within the ILO to support various programme and budget priorities and sustain impact through stronger policy and institutions. For example, joint initiatives with ILO technical units are under way, focused on labour administration, industrial relations, wages, grievance mechanisms and social protection, including joint resource mobilization. Future Better Work programmes will follow a “One ILO” framework and be designed with adequate time and resources to ensure</p>	Partially agree	<p>DFAT encourages Better Work to foster a culture of collaboration and communication with all partners, including around its “One ILO” framework, to ensure this maximises outcomes for the Programme.</p> <p>DFAT notes care should be taken when considering new country entrants to the Better Work Programme, especially given ongoing sustainability concerns. DFAT agrees conditional entry for new countries following legislative reforms is important to ensure improved labour</p>	<p>Responsible Units</p> <ul style="list-style-type: none"> - Governance and Tripartism Department: ILO Better Work Management group - Better Work country program managers - ENTERPRISE, Social Protection, Partnerships, Employment, Work Quality - AP/Supply Chains - ILO CO Directors 	<p>Priority: Medium</p> <p>Time Implications: Immediate</p> <p>Resource Implications: Variable</p>

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labour legislation reforms and broader enabling conditions.	meaningful impact. For example, in Benin, a Better Work feasibility study will be conducted alongside consultations on the Decent Work Country Programme to ensure an integrated approach.		standards are implemented at the highest levels.		
<p>Recommendation 4 Better Work should continue strengthening the capacity of ILO national constituents to effectively use its approaches, tools, and data.</p> <ul style="list-style-type: none"> Enhance access to compliance data by further developing its information systems and promoting greater transparency (with appropriate safeguards). Increase the usability of Better Work tools by translating them into local languages and tailoring them to meet the diverse needs of different constituents; invest in data visualization and dashboard tools to make compliance and impact data more accessible to constituents, brands, and policymakers. 	On Recommendation 4, the Office recognizes the importance of strengthening constituents' capacity to effectively use Better Work tools, approaches and data. Better Work will accelerate efforts to improve data accessibility and usability to meet constituents' needs and support evidence-based dialogue. For example, the programme is testing technology to share data directly with constituents and ILO technical and policy units. Better Work is also collaborating with the ILO's International Training Centre to develop a sustainable business model for the Better Work Academy to embed tools, training and	Agree	DFAT agrees with the value of enhancing access to compliance data by further developing Better Work's information systems, and increasing the accessibility and useability of tools and data. DFAT notes the ongoing importance of evaluating the suitability of these tools as part of program activities, to ensure they remain fit for purpose. We appreciate the efforts of the Programme to collect and publish gender disaggregated data to assess the impact of its initiatives on gender	<p>Responsible Units - Governance and Tripartism Department: ILO Better Work Management group - Better Work country program managers</p>	<p>Priority: High Time Implications: Immediate to long term Resource Implications: Variable</p>

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	capacity-building within local and market-based institutions.		equality. DFAT would like to see this approach expanded to include disability equity data, on the understanding this could be sensitive and should be handled appropriately. DFAT notes translation into local languages offers a strong uplift in accessibility and requires appropriate resourcing. DFAT encourages the Programme to strengthen disability-inclusive accessibility of data for Assistive Technology based engagement.		
<p>Recommendation 5</p> <p>Better Work should continue its efforts to influence brand practices.</p> <ul style="list-style-type: none"> • Further develop the Better Work Academy and move toward financial sustainability by refining and implementing a viable business model. • Maintain collaboration with brands on interventions that promote the empowerment of women workers, 	On Recommendation 5, anchored in international labour standards, national labour laws and Better Work experience, the Office will support efforts to engage with brands and inform their due-diligence processes to promote decent work and increase compliance. Better	Partially agree	DFAT notes the importance of interventions promoting the empowerment of underrepresented groups in Better Work's programs. DFAT acknowledges the work undertaken by Better Work's Sri Lanka	<p>Responsible Units</p> <ul style="list-style-type: none"> - Governance and Tripartism Department: ILO Better Work Management group - Better Work country program managers 	<p>Priority: High</p> <p>Time Implications: Immediate to long term</p> <p>Resource Implications: Variable</p>

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<p>trade union representatives, and underrepresented groups—such as migrant workers and persons with disabilities.</p> <ul style="list-style-type: none"> Sustain ongoing dialogue and joint initiatives with brands and relevant multistakeholder platforms aimed at reducing audit duplication, strengthening engagement with national labour market institutions, and improving responsible business conduct. 	<p>Work is deepening collaboration with brands to promote labour rights, including fundamental principles and rights at work, gender equality, migrant workers and persons with disabilities, and the establishment of grievance mechanisms. In coordination across the Office, it will continue engaging with brands and multi-stakeholder platforms to reduce duplication and promote responsible business conduct.</p>		<p>program to strengthening workplace inclusion and the employability of people with disabilities.</p> <p>DFAT recommends clear guidance from ILO on how it will continue to enhance its engagement with the private sector, to ensure long-term sustainability and continuation of Better Work initiatives and outcomes. This could include through the Better Work Academy, or other mechanisms. This will be vital for high performing country partners to progress towards exiting the Better Work Programme.</p>		