

Mapping the Global Garment Supply Chain

Presentation of a WageIndicator Report
(Maarten van Klaveren and Kea Tijdens,
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 AIAS

Amsterdam Institute for
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HISTORY OF THE REPORT



- **April 2016: *Wages in Context in the Garment Industry in Asia*, WageIndicator Report for Dutch Ministry of Foreign Affairs in preparation of the Asian Living Wage Conference (May 2016, Islamabad), goals:**
 - Provide information about *labour law* and *minimum wage* setting in the garment industry in nine Asian countries: Bangladesh, Cambodia, China, India, Indonesia, Myanmar, Pakistan, Sri Lanka, Vietnam
 - Compare *wage levels of garment workers* in these countries with *cost of living* and related *living wages*
 - Provide overview of instruments for realising living wages
 - Added: overview supply chains 25 brands (partly different from current)
- **July 2017: update of *Wages in Context report* for forum debate at ILO's Regulating for Decent Work (RDW) Conference, Geneva**
- **2017-current: WageIndicator projects in garment industry in Indonesia, Ethiopia, Myanmar**
- **Jointly impetus for building WageIndicator Garment Supply Chain Database 2018 (May-July 2018), as basis for report *Mapping the Global Garment Supply Chain***



CONTENTS

- **Shares of 25 countries under scrutiny in world garment exports**
- **Overview 24 garment & footwear brands scrutinized: sales, employment, employment in supply chains**
- **Dependency of suppliers: number of brands supplied per factory**
- **Larger dependency? Clusters of factories working for the same brands**
- **Size matters: size of factories and number of brands supplied**
- **Size varies: size distribution of factories by country**
- **And also relevant: female participation rates**
- **Ownership: division national /foreign/joint-venture by country**
- **And ownership once more, by main countries of origin of investment**

25 GARMENT-EXPORTING COUNTRIES: shares in world garment exports, 2016



COUNTRY	%	COUNTRY	%
China	34.3	South Korea	0.5
Bangladesh	6.2	Tunisia	0.5
Vietnam	5.4	Honduras	0.4
India	3.9	Myanmar	0.4
Turkey	3.3	Malaysia	0.4
Indonesia	1.6	Singapore	0.3*
Cambodia	1.3	Egypt	0.3
Pakistan	1.1	Guatemala	0.3
Sri Lanka	1.1	Philippines	0.2
Mexico	0.9	Peru	0.2
Thailand	0.9	Taiwan	0.2
Morocco	0.8	Ethiopia	0.1
El Salvador	0.5	TOTAL 25 c.	64.7

24 BRANDS:

net sales (bln. USD), own employment (x 1,000),
employment in supply chains (x 1,000), 2017



	home c.	sales	own empl.	empl. chain
Adidas	DE	21.2	57	890
Amer Sports	FI	3.1	9	
ASICS	JP	3.6	9	97
ASOS	UK	2.4	4	91
Bestseller	DK	3.6	15	
C&A	CH	6.6	35	620
Debenhams	UK	3.4*	27*	283
Esprit	HK/DE	2.0	7	525
Gap Inc	US	15.9	135	1090
G-Star RAW	NL	0.9	0.8	41
H&M	SE	19.5	123	1680
KappAhl	SE	0.6	4	
Levi Strauss	UK	4.9	14	
M&S	UK	13.7*	81	618
New Balance	US	3.8	5.5	
Nike	US	34.4	74	932
Pentland	UK	3.0	19	109
Primark	IE/UK	9.3	68	570
Puma	DE	4.7	13	202
PVH Corp	US	8.9	36	
Tesco	UK	12.6*	476	
Under Armour	US	5.0	14	172
Uniqlo	JP	15.8	44	
VF Corp	US	11.8	69	677

NUMBER OF BRANDS SUPPLIED PER FACTORY: country averages, 13 largest exporters



	aver.	no. fact.
El Salvador	1.65	20
Bangladesh	1.56	579
Sri Lanka	1.49	202
Cambodia	1.48	263
Pakistan	1.40	134
Vietnam	1.36	628
Indonesia	1.29	280
Turkey	1.25	695
India	1.23	1001
Morocco	1.19	27
Thailand	1.18	111
China	1.17	3387
Mexico	1.09	211
Subtot. 13 c.		7538
Total	1.25	8110

CLUSTERS: FACTORIES WORKING FOR THE SAME BRANDS: 25 exporting countries, selection of 5 major brands



	C&A	H&M	M&S	PVH	Tesco
C&A	x	103	49	27	55
H&M	103	x	92	49	66
M&S	49	92	x	59	82
PVH Corp	27	49	59	x	27
Tesco	55	66	82	27	x
Total	474	712	537	439	433
% other 4	49	44	53	37	53

SIZE OF FACTORIES AND AVERAGE NUMBER OF BRANDS SUPPLIED, total 16 brands



	1-1000	1001-5000	>5000
1 brand	85	63	57
2-3 brands	14	34	35
>= 4 brands	1	3	8
Total	100	100	100

SIZE OF FACTORIES BY COUNTRY, 13 largest exporters, total 16 brands



	1-1000	1001-5000	>5000	total
Bangladesh	28	65	7	100
Indonesia	36	52	12	100
Vietnam	47	42	11	100
Cambodia	47	49	4	100
Pakistan	48	50	2	100
El Salvador	61	39	0	100
Thailand	62	38	0	100
Sri Lanka	65	34	1	100
India	79	20	1	100
Mexico	92	7	1	100
China	93	6	1	100
Morocco	96	4	0	100
Turkey	98	2	0	100
Total	77	21	3	100

FEMALE PARTICIPATION RATES, averages of suppliers: 7 brands, 3 main product groups, 9 largest exporters



	apparel	footwear	access- ories	total
Bangladesh	56		76	57
Cambodia	80	92	87	82
China	68	60	65	66
India	34	30	18	31
Indonesia	82	72	75	78
Pakistan		11	4	8
Sri Lanka	76			76
Turkey	52		52	52
Vietnam	77	79	74	77

DISTRIBUTION OF OWNERSHIP:

3 categories, 13 largest exporters



	national	foreign	joint-venture	total
Turkey	99	1	0	100
India	95	5	0	100
Pakistan	93	5	2	100
Morocco	89	11	0	100
Bangladesh	79	20	1	100
China	79	20	1	100
Sri Lanka	78	17	5	100
Mexico	77	21	2	100
Thailand	63	34	3	100
Indonesia	54	45	1	100
Vietnam	46	54	0	100
El Salvador	45	50	5	100
Cambodia	3	97	0	100
Total 25 c.	78.3	20.6	1.1	100

OWNERSHIP BY MAIN ORIGINS OF INVESTMENT: home countries (hor.) vs host countries (vert.)



	BD	CAM	CHI	IN	ID	MYA	VN
Bangladesh	460	0	1	3	1	0	0
China	0	88	2694	0	5	33	22
Hong Kong	34	57	403	1	7	34	62
India	25	0	11	955	1	1	2
South Korea	16	20	32	0	67	5	111
Taiwan	2	53	70	3	14	6	63
Japan	1	3	16	0	3	1	8
UK	10	3	11	6	0	0	6
USA	7	1	49	16	4	2	15



THANK YOU ... AND MORE INFO

Thank you for your attention!

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WageIndicator publications:

<http://www.wageindicator.org/main/Wageindicatorfoundation/publications>