



Apparel

Summary of Key Trafficking in Persons Issues in Apparel Production

- ✓ Structural Supply Chain Features Contributing to Trafficking in Persons Vulnerability
 - Long, Complex, and/or Non-Transparent Supply Chains
 - Short Production Cycle
- ✓ Undesirable and Hazardous Work
- ✓ Vulnerable Workforce
 - Child Labor
 - Migrant Labor
 - Gendered Dynamics of Production
- ✓ Presence of Labor Intermediaries

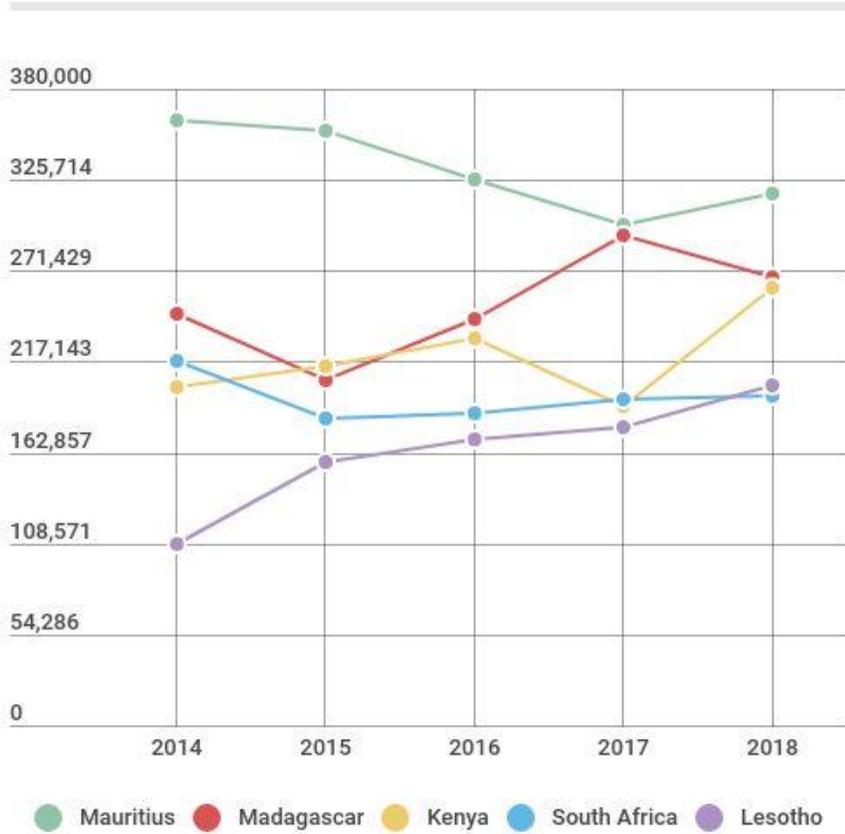
Overview of Apparel Production in sub-Saharan Africa

Trade

The top exporters of apparel goods from sub-Saharan Africa are Mauritius, Lesotho, Madagascar, Kenya, and Ethiopia.¹



Top Exporters of Apparel/Textiles (Value USD/Thousands)



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Africa currently manufactures about two percent of apparel globally.³ Mauritius has been the traditional leader of apparel production in sub-Saharan Africa. Ethiopia, Kenya, Lesotho, Tanzania and Uganda have been cited as up-and-coming apparel producing countries, fueled by both government investment and preferential market access to U.S. and European markets. Ethiopia in particular has been cited as the future of Africa apparel manufacturing, with the manufacturing sector growing at roughly 11 percent per year between 2004 and 2014.⁴



The African Growth and Opportunity Act (AGOA), United States Trade Act, is a unilateral trade program that significantly enhances U.S. market access for (currently) 41 sub-Saharan African countries. The Act was originally enacted to last from October 2000 to September 2008, but amendments have extended AGOA to 2025.⁵ Countries that have capitalized on AGOA, such as Lesotho, have seen boosts to their apparel manufacturing sector. Conversely countries such as the Gambia and Swaziland that have been excluded or dropped from AGOA status have seen rapidly contracting sectors.

The top importers of apparel from sub-Saharan African countries are the United States, South Africa, United Kingdom, France, and Germany.⁶ For Mauritius, the region's largest exporter of apparel, the United Kingdom is by far the largest importer.⁷

Features of Production and Supply Chain

Apparel and textile supply chains are complex, unpredictable, and often include informal relationships. The current global sector has developed in response to globalization, and multinational brands' requirements for flexibility and quick turnaround times. Major brands have outsourced production to others, and focus mainly on branding and marketing. Production for large multinational companies is largely managed by agents with large networks of worldwide factories.⁸ Brands attempt to shorten lead times, putting pressure on suppliers and causing an increase in temporary, contract, and seasonal labor within the workforce (see below).

The garment industry has long presented a challenge to those seeking to monitor workplace conditions. Garment manufacturing relies on diverse organizational methods that keep employers from directly employing the personnel manufacturing those products. For example, one researcher reports that "A 'jobber' may sell a design to a retailer, and then contract with a manufacturer for delivery of the product. The manufacturer may purchase and cut the product, but then contract the sewing to one or more companies (which may further contract out sub-assembly)."⁹ Each time a piece of the process is subcontracted, the profit margin diminishes and competition between firms intensifies. A large number of small, informal sewing contractors can easily enter the market and compete for a limited number of contracts, resulting in downward pressure on prices. Since labor costs comprise the bulk of input costs, many sewing contractors' only option to become profitable is to pay sub-minimum wages.¹⁰

The relationship between retailers and manufacturers further encourages labor violations. Brands negotiate prices and purchase finished garments from manufacturers, exerting strong pressure on manufacturers to keep costs low and to speed up production times. The manufacturers place that same pressure on the contractors and subcontractors who actually produce the goods, often through the exploitation of immigrant labor.¹¹

Verité expert interviews indicate that brands have a significant amount of leverage over small-scale garment factories in unilaterally setting prices and turnaround times due to competition among various



factories. This leads to the factories paying their workers low piece-rates and demanding that they work overtime to meet production demands. Workers are paid the same piece-rates while working overtime, so miss out on overtime premiums, resulting in wages that do not comply with minimum wage and overtime laws. In some cases, factories take a loss on an order so as to maintain their business relationship with a brand. This can result in times during which factory owners do not have enough cash flow to pay their workers, or in extreme cases, low profit margins that can force them to close, resulting in job losses, many times without workers being paid the wages owed to them.

There are two primary types of sub-contracting in the apparel sector. Vertical subcontracting means that the order passes from the tier one factory to smaller factory or unit. Orders may be vertically subcontracted several times. Horizontal subcontracting means that the order is passed to a “sibling” factory of roughly the same size.¹² Subcontracting can send orders across international boundaries as first tier facilities subcontract orders to countries where the cost of labor is even lower.¹³ Many subcontracting agreements between facilities are relatively informal, making transparency in the supply chain extremely difficult.¹⁴ In many cases, subcontracting may be conducted without informing or receiving authorization from the client. Value-added processes such as embroidery are also likely to be outsourced.¹⁵

While little continent-wide data on apparel subcontractors in Africa is available, there is evidence that subcontracting facilities dominate the sector. In Kenya, for example, while there are roughly 21 large facilities located in Export Processing Zones, and 170 medium-sized enterprises, there are approximately 70,000 micro-enterprises, which likely operate as subcontractors.¹⁶ Previous research has noted that most of the few African-owned factories in the region act primarily be subcontractors to larger, foreign owned facilities.¹⁷

The World Bank notes that apparel production is often a “springboard for national development.”¹⁸ The sector has relatively low barriers to entry, as it is not highly capital intensive and primarily utilizes low-skilled workers. Further, production can easily be shifted from country to country in pursuit of lower production costs.¹⁹

Key Documented Trafficking in Persons Risk Factors in Apparel Production

The U.S. Department of State’s 2019 *Trafficking in Persons Report* identifies trafficking in apparel/textile manufacturing in Nigeria, and Zambia.²⁰

The U.S. Department of Labor’s 2018 *List of Goods Produced by Child Labor or Forced Labor* reports that hand-woven textiles are produced with child labor in Ethiopia.²¹



Undesirable and Hazardous Work

The same factors that result in low barriers to entry also mean that the sector is highly competitive, and put downward pressure on wages and working conditions. One key identified driver of growth of the apparel sector in Africa has been the investment from Asian apparel companies that have been constrained by rising costs of production – including labor – in more traditional apparel manufacturing sites such as China. These companies have been increasingly investing in large-scale production facilities in sub-Saharan Africa.²² Low wages have specifically been cited as drawing foreign investment in countries including Ethiopia,²³ where workers may earn as little as 35 USD a month.²⁴

Health and safety risks facing workers in the apparel sector include chemical exposure, dust, poor ventilation, musculoskeletal stress, and noise exposure.²⁵ Apparel and textile production, particularly sewing machine operation and hand sewing, often require workers to complete “monotonous, highly repetitive and high-speed tasks,” as well as to remain in one posture for long period of time. Workers who are paid at a piece rate may be incentivized to work far beyond what is safe, in order to earn a basic wage. Musculoskeletal disorders can lead to long-term disability. Chemical hazards include formaldehyde exposure, which is associated with cancer development, both during production and in warehouse areas. Organic solvents used in finishing can lead to neurological, central nervous system, and liver illnesses.²⁶ Sandblasting, a process used to fade denim, has been found to cause the serious lung disease, silicosis.²⁷ These risks apply to the global apparel sector, but may be particularly relevant where countries lack strong labor enforcement mechanisms, including many sub-Saharan African countries.

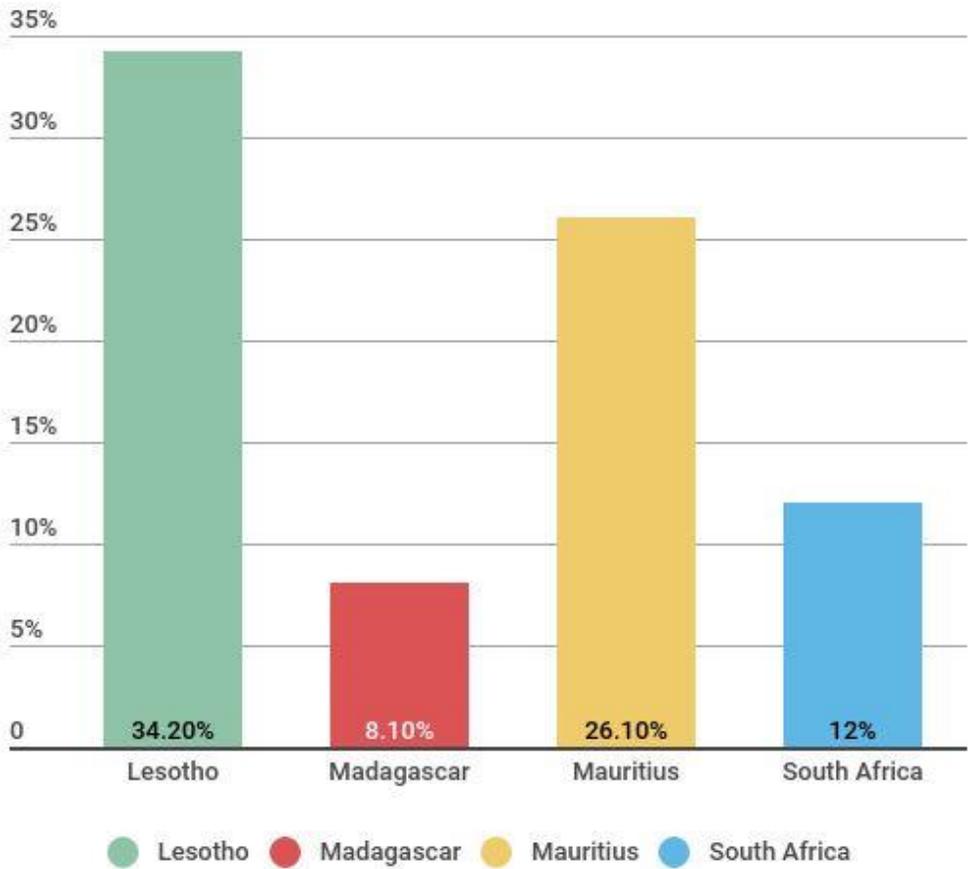
Vulnerable Workforce

Gendered Dynamics of Production

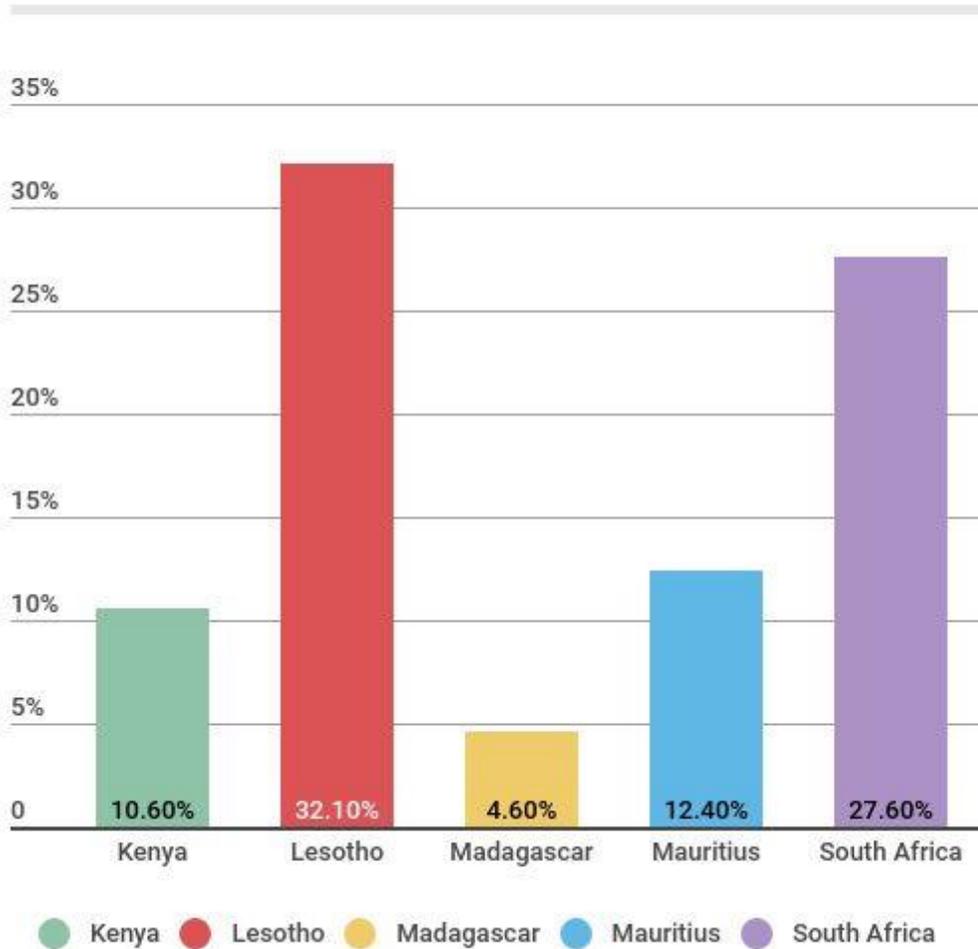
The workforce in the global apparel sector – and in sub-Saharan Africa in particular – is predominantly female. Women make up an estimated 80 percent of workers most apparel producing countries in sub-Saharan Africa, however, men are more common in Malawi and Zimbabwe.²⁸ For many workers, employment in the textile apparel sector offers a first opportunity to gain employment in the formal economy, which is typically higher paid and more stable than the informal sector or agriculture. This appears to be true in many emerging apparel sectors in sub-Saharan Africa. For example, a study among female garment workers in Ethiopia found that most had never worked in the formal sector prior to their apparel sector employment.²⁹ However, recent research found that women tended to be overrepresented in lower level positions, leaving them more vulnerable poor working conditions and wage instability.³⁰



Percentage Female Employment in Industry in Apparel Exporting Countries



Percentage Female Unemployment Rate in Apparel Exporting Countries



Among the top apparel exporting countries, Lesotho has both the highest female unemployment rate, as well as the highest rate of women’s employment in the apparel sector, suggesting that apparel manufacturing jobs are some of the only livelihood options available to women.



Child Labor

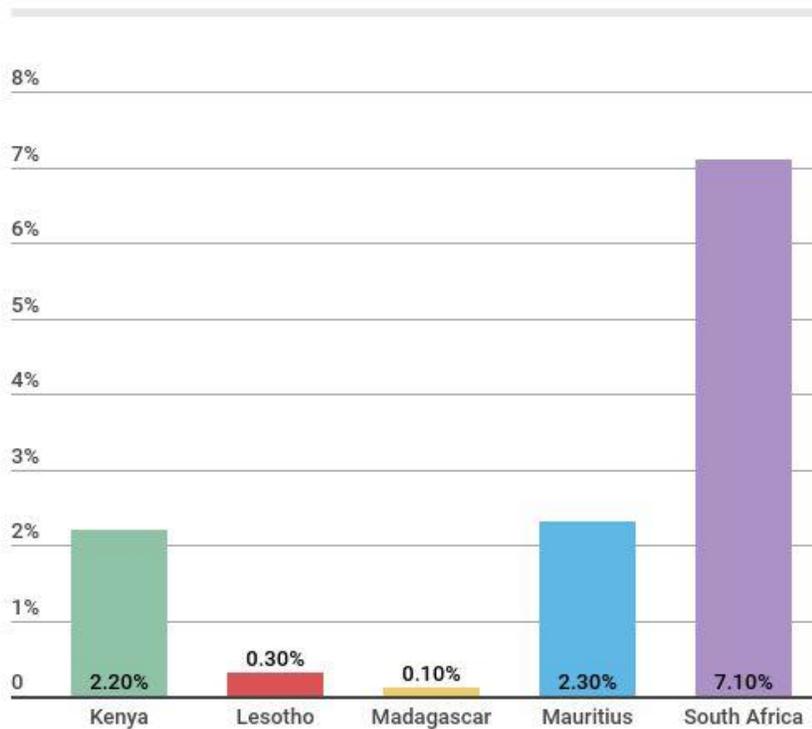
Child labor appears to be uncommon in the formal apparel manufacturing sector in sub-Saharan Africa, however, child labor in Ethiopia reportedly takes place in informal weaving industry. Children – particularly boys – begin apprenticing as young as 12 years old.³¹

Migrant Labor

The phenomenon of migrant workers in the manufacturing sector of Mauritius has been well documented. According to the U.S. Department of State, there are over 37,000 migrant workers in the manufacturing and construction sectors from India, Bangladesh, Sri Lanka, China, and Madagascar, “some of whom are subjected to forced labor.”³² Although it has previously been reported that local Mauritians are unwilling to work for the going wage rates creating a labor shortage, an additional factor creating a pull for migrant workers is short-term, four month contracts, which are unappealing to local workers while attractive to migrant workers.³³ Protections for workers are further weakened in Export Processing Zones, where many migrant workers are engaged.³⁴

Percentage Migrant Share of Population in Apparel

Exporting Countries



Mauritius and South Africa have the highest population of transnational migrants of top apparel exporting countries.

The U.S. Department of State has identified forced labor conditions affecting migrants from South and East Asia in Zambian textile factories.³⁶ There are also reportedly Chinese migrant workers in factories in Lesotho.³⁷

The U.S. Department of State reports that a “downturn in the textile industry [in Swaziland] has led textile workers to follow promises of employment in neighboring countries, potentially increasing their vulnerability to trafficking.”³⁸ Media reports from South Africa confirmed this account, profiling a Swazi migrant worker who, after losing her job in Swaziland, travelled to South Africa in search of apparel sector work. Upon her arrival, she met an informal labor broker who procured her a job in a factory. Although the worker felt that she was paid relatively well (as a result of working long hours), Swazi migrant workers in South Africa are vulnerable because most cannot afford to properly maintain their migration documentation status, and thus live in fear of police raids.³⁹ In 2017, 72 people were allegedly trafficked from Mozambique, Swaziland, and Lesotho to apparel factories in South Africa.⁴⁰

Most of the low-skilled female migrants in the Lesotho apparel manufacturing industry are domestic migrants from other regions of the country.⁴¹

Migrant workers have not been systematically documented in Ethiopia’s garment production sector, however, a McKinsey survey of sourcing professionals found that, in addition to Ethiopia’s low wage rates, the low cost of obtaining documentation for migrant workers was considered a benefit.⁴²

Presence of Labor Intermediaries

Migrant workers to Mauritius typically secure their employment via third-party labor brokers, leaving them with recruitment related debt.⁴³

Research has found that the use of subcontracted labor, even among local/domestic workers, is common in countries including Kenya, Tanzania, and Ghana.⁴⁴



Endnotes

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