



NEWSLETTER

MYANMAR GARMENT MANUFACTURERS ASSOCIATION

MGMA

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October 2018

NEWS

Press Conference at UMFCCI for Meeting with EU EBA Monitoring Mission

In last week of October 2018, European Union (EU) sent a delegation of EU EBA Monitoring Mission to determine whether to launch EBA withdrawal process, because of alleged human violations. The delegation met with twenty-two garment workers at Sunday Cafe, Thone Pan Hla in Hlaing Thar Yar Township on 28th October and business representatives group led by Federation of Chambers of Commerce and Industry (UMFCCI) on 29th October 2018. The group included UMFCCI Joint Secretary Daw Khine Khine Nwe, Myanmar Garment Manufacturers Association (MGMA) Chairman U Myint Soe, Myanmar Rice Federation (MRF) Secretary U Ye Min Aung, shoe making business person in Myawaddy Industrial Zone Daw Thin Thin Myat and garment manufacturer in Hlaing Thar Yar U Aung Myo Hein. On 30th October 2018, UMFCCI conducted a press conference for the meeting with EU EBA Monitoring Mission. In the press conference, MGMA Chairman U Myint Soe, UMFCCI JS Daw Khine Khine Nwe, business person Daw Thin Thin Myat and garment manufacturer U Aung Myo Hein explained, as speakers, what they were asked by and what they explained to EU EBA Monitoring Mission delegation. MGMA Chairman U Myint Soe said that, by looking at facial expression of members of the delegation, they can feel the delegation was satisfied on what they explained. And UMFCCI Joint Secretary Daw Khine Khine Nwe also explained what she said to the delegation at the meeting that "UMFCCI welcome the delegation of EU EBA Monitoring Mission. We hope you will report back with proper consideration, after meeting with persons from different sectors". Then the speakers answered the questions from attending media groups and the press conference was finished at 04:30PM.



MGMA Met with Member Factories for Labour Audit

Myanmar Garment Manufacturers Association is voluntarily conducting labour audit to audit and consult on labour issue in the member factories. To notify that information, MGMA met with owners and management officers from member factories in MGMA training hall on 2018-10-20. MGMA Secretary General Daw Khine Khine Nwe, Joint Secretary (1) Daw Aye Aye Han and



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members of CEC attended the meeting. Daw Khine Khine Nwe explained that, regarding the current situation of the industry, the report of Labour Department of USA still includes Myanmar as a country existing child labours and a delegation of EU will arrive at Yangon on 28th Oct 2018 to determine whether to launch EBA withdrawal process for alleged human violations. The stakeholders in Myanmar need to raise their voices how the garment industry developed and how EU EBA benefits the industries while the delegation is present. Moreover, it is also required to explain the real situation in the garment industry regarding with child labour issue, she said. Then the owners and management officers answered and filled up Labour Audit Forms. MGMA CEC member U Tun Tun also explained matters of import license recommendation to the MGMA members.



Cash Donation for Purchasing Sewing Machines in MGMA Training Schools

Myanmar Garment Manufacturers Association (MGMA) collected cash donations for buying sewing machines for the association's Training Schools which are Myanmar Garment Human Resource Development Center (MGHRDC) in Inn Sein Township and ToT Training School on 1st floor of Dakkina Building in Inn Sein GTI, in cooperation with Ministry of Education, Department of Technological and Vocational Training. The donation list as of 2018-10-31 is as follow:

Sr.	Donor's Name	Amount in MMK	Amount in USD
1.	Shwe Sakar Co., Ltd.	5,000,000	
2.	Maple Trading Co., Ltd.	1,000,000	
3.	Korea Garment Association in Myanmar		2,500
4.	Chinese Textile & Garment Association in Myanmar	3,000,000	
5.	CHK Garment Co., Ltd.	50,000	
6.	Jewoo Manufacturing Co., Ltd.	500,000	
7.	Bawga Mandaing Manufacturing Co., Ltd.	500,000	
8.	Bogard Lingerie [Yangon] Ltd.	2,000,000	
Total		12,050,000.00	2,500



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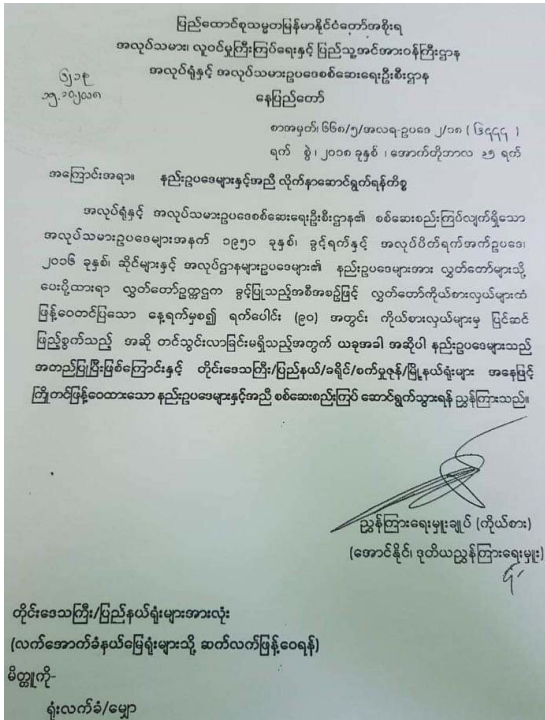
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PRIORITY

Directive for Complying with Rules



Factory and General Labour Law Inspection Department (FGLLID) issued a directive letter to factories in industrial zones on 2018-10-15. The letter is to direct the factories to comply with 1951 Leave and Holiday Rules and 2016 Shops and Establishments Rules. The Letter says that FGLLID sent 1951 Leave and Holiday Rules and 2016 Shops and Establishments Rules which are under supervision of the department, to Parliament for comment and amendment within 90 days. Now, it is over 90 days and there is no comment or amendment. Therefore, 1951 Leave and Holiday Rules released by Notification No. 69/2018 dated 2018-04-26, is now confirmed. The Leave and Holiday Rules which clarify ambiguous legal facts and disputes between management officers and workers in the factories. The rules can be downloaded at [1951 Leave and Holiday Rules](#).

Weekly Rest Day is Paid if Weekly Working Time is Completed

The Chapter (2), Section (3) of 1951 Leave and Holiday Rules released by Notification No. 69/2018 on 2018-04-26, says -

"Worker, if he/she completed weekly working hours, is entitled to at least one weekly rest day with relevant wages or basic salary".

And the Chapter (1), Section (2)(M) says -

"Working hours is the hours for working permitted by relevant labour law in regard with the kinds of works".

According to The Factory Act 1951, working hours is 8 hours per day and 44 hours per week. If the work is the kind of continuous work, 48 hours per week is allowed. Garment factory is the kind of work for 44 working hours per week.

Therefore, worker, if he/she has completed weekly working hours, is entitled to at least one weekly rest day with relevant wages or basic salary, in accord with the sections above. Leaves and Holidays which worker is entitled to with wages by law and rest days because of no works from employer are calculated as normal working day, 8 hours/day, in accord with Section (4), Chapter (2) of Leave and Holiday Rules.

In conclusion, it is not in accord with Section (3), Chapter (2) of Leave and Holiday Rules, if a garment worker who is absent or take unpaid leave except enjoying leaves or holidays with wages



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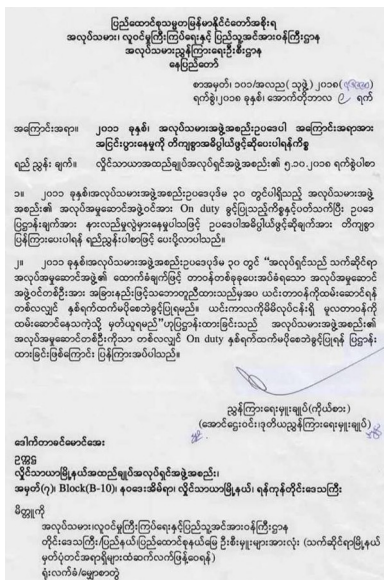
EBA Withdrawal Process

A delegation of EU EBA Monitoring Mission from European Union arrived at Yangon in last week of October 2018 and met with government officers, employers and workers. UMFCCI conducted a press conference on 30th Oct 2018 to explain about the meetings of the delegation. In press conference, UMFCCI Joint Secretary Daw Khine Khine Nwe said EBA withdrawal process is not a process which immediately effect and it will take one and half year to take effect – the delegation arrived at Yangon, came to determine whether to launch EBA withdrawal process. The news of the press conference were mentioned by government newspapers. Regarding with EBA withdrawal process, it can be read in the following links: [EU officials: Ending EBA an 18-month procedure \(Cambodia's case\)](#) and [EU trade privileges move alarms garment sector](#).

European Commission's Press Release

After visit of EU EBA Monitoring Mission to Yangon, European Commission released a press release titled as "Myanmar: EU mission assesses human rights and labour rights situation". The press release was uploaded to its website here: http://europa.eu/rapid/press-release-IP-18-6243_en.htm.

2 days of On-duty Leave is for only One Member of EC



The Ministry of Labour, Immigration and Population, Department of Labour released a letter on 2018-11-09 to clarify a vague provision that causes many disputes in the factories. The letter says that the provision of the Section (30) of the Labour Organization Law 2011 – "The employer shall allow the worker who is assigned any duty on the recommendation of the relevant executive committee to perform such duty not exceeding two days per month unless they have agreed otherwise. Such period shall be deemed as if he is performing the original duty of his work" – is to say that employer shall allow **only one worker** to perform duty assigned by executive committee of basic union not exceeding two days per month.

ACTIVITY

Video Clip about Myanmar Garment Industry

Myanmar Garment Manufacturers Association (MGMA) made 2 minutes Video Clip about Myanmar garment industry, by the support of ILO, ACT/EMP. During the meeting with the



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delegation of EU EBA Monitoring Mission, MGMA played the Video Clip which shows how Myanmar garment industry in which women are mostly employed, is benefiting from trade preferences like EU EBA. The video clip is uploaded to Youtube here: https://www.youtube.com/watch?v=F1P9PG4_Zxk&t=47s.

UPCOMING

Description	Date	Place
1. 2nd Myanmar Textile Summit 2018 MGMA and ECV International are organizing in collaboration 2nd Myanmar Textile Summit 2018. The summit will focus on the latest government policies and international trading policies on the textile and apparel industries in Myanmar, sourcing practice and trends of international brands, the main challenges for FDI and so on.	12-13 Nov 2018	Sedona Hotel
2. 7th Myanmar International Textile & Garment Industry Exhibition (MTG) www.myanmar-expo.com/MTG Yangon Convention Center (YCC) in Inya Lake Hotel Compound	6-9 Dec 2018	YCC Inya Lake Hotel
3. Factory Award Dinner (2018) Myanmar Garment Manufacturers Association	8 Dec 2018 (TBC)	

NEW MEMBERS IN OCTOBER 2018

Number of New Factories in September 2018		4
Country	No. of Factories	No. of Workers
TOTAL	0	0

MEMBERSHIP UPDATE AS OF 2018-10-31

Status	Country	No. of Factories	No. of Workers
Active	Myanmar	109	73341
	Chinese	202	187373
	Korea	58	56951
	Japan	19	54462
	Others	132	68445
Inactive	All	72	0
TOTAL		592	440572