



International  
Labour  
Organization

# Annual Progress Report

REPORTING PERIOD

1 OCTOBER 2018 – 30 SEPTEMBER 2019

VISION  
ZERO  
FUND







# Annual Progress Report

REPORTING PERIOD

1 OCTOBER 2018 – 30 SEPTEMBER 2019



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## THE VISION ZERO FUND IN CONTEXT

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Every day, an average of 1,000 people die from occupational accidents and a further 6,500 from work-related diseases, and more than a million are affected by non-fatal occupational accidents. Thirty-four developing countries have no employment injury insurance system, and about 60 percent of the world's labour force lack effective protection if they are injured or become ill as a result of their work.<sup>1</sup> The safety and health of all workers – women, men, young, old, migrants and persons with disabilities – is of paramount importance.<sup>2</sup>

In addition to the appalling human suffering this represents, there is also a huge economic cost to workers and their families, to businesses and to national economies.



An estimated four percent of global gross domestic product is lost every year to work-related injuries and diseases.<sup>3</sup>

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1 VZF Strategy 2019-2023: [https://www.ilo.org/wcmsp5/groups/public/---ed\\_dialogue/---lab\\_admin/documents/publication/wcms\\_729031.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---lab_admin/documents/publication/wcms_729031.pdf)

2 10 Keys for gender sensitive OSH practice – Guidelines for gender mainstreaming in occupational safety and health, ILO, 2013: [https://www.ilo.org/global/topics/safety-and-health-at-work/resources-library/publications/WCMS\\_324653/lang--en/index.htm](https://www.ilo.org/global/topics/safety-and-health-at-work/resources-library/publications/WCMS_324653/lang--en/index.htm)

3 ILO: [https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms\\_686645.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_686645.pdf)



Because of their different jobs, societal roles, expectations and responsibilities, women and men may be exposed to different physical and psychological risks at the workplace, and require different control measures. Traditionally, men are more likely than women to work in hazardous industries, in which they are exposed to risks that, if not adequately controlled, can result in serious or fatal accidents. Work undertaken by women is generally regarded as safer, but in fact women's occupational injuries and illnesses, such as work-related stress, musculoskeletal disorders (MSD) or dermatitis,

have been under-diagnosed, under-reported and under-compensated compared with men's.<sup>4</sup>

Most of these deaths, injuries and diseases are preventable, but states or companies alone cannot address the underlying issues.

That is why Vision Zero Fund (VZF) mobilizes all stakeholders to collectively tackle the root causes of workplace accidents, injuries and diseases.

## GETTING TO ZERO

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An initiative of the G7, endorsed by the G20, and operational since 2016, Vision Zero Fund aims to advance towards the vision of zero severe and fatal work-related accidents, injuries and diseases, by addressing the root causes of the most serious occupational safety and health (OSH) deficits in global supply chains (GSCs). While global supply chains make an important contribution to economic growth and job creation – about 60 percent of global trade is organized within global supply chains – they also create major challenges in achieving safe and healthy workplaces.

Addressing the root causes of the most serious OSH risks in a global supply chain requires the efforts, influence and resources of all major stakeholders – including global companies, national suppliers, governments, workers, trade unions, civil society, private philanthropy and development agencies. With that in mind, the Fund built its [2019-2023 strategy](#) on the model of collective action. The Fund's Steering Committee approved the strategy in June 2019. The strategy places greater focus on knowledge generation and dissemination, streamlines the Fund's governance structure and strengthens monitoring and evaluation. Gender equality is one of its pillars. With the support of the German Corporation for International Cooperation

(GIZ), the Fund revised its theory of change and results framework in line with the new strategy, and country programmes adapted their logical frameworks to the revised model.

From October 2018 to September 2019, Vision Zero Fund projects in seven countries have directly or indirectly benefitted almost 2.5 million workers in the textile/garment and agriculture global supply chains through our work with over 40,000 government officials, employers and, workers and their organizations.<sup>5</sup> To date, VZF has invested over US \$15 million in improving OSH and helping prevent and reduce the unacceptable number of workplace-related deaths, injuries and diseases.

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<sup>5</sup> Including 730,000 workers in Colombia, 74,000 in Lao PDR, 324,000 in Madagascar, 547,000 in Mexico, and 512,000 in Myanmar, including 442,000 garment workers (90 percent women).



Coffee worker in Mexico, ILO 2021

Vision Zero Fund continued to receive high-level political endorsements. In their June 2019 Social Communiqué, G7 countries reaffirmed their full “support [to] existing initiatives in global supply chains, such as... the Vision Zero Fund (VZF) initiative established under the German G7 Presidency to prevent

work-related deaths, injuries and diseases in global supply chains”. That same month, German Chancellor Angela Merkel made specific reference to the Fund and its work during her speech to the 108th session of the International Labour Conference.

### One of the “most prominent” ILO programmes working on global supply chains

During this reporting cycle, Vision Zero Fund redoubled its efforts to align its work to contribute to implementation of the ILO programme of action on decent work in global supply chains, and to identify opportunities for joint activities, collaboration and synergies with other ILO units working on similar topics.

The Fund is a member of the ILO Apparel Task Team, and was described as one of the “most prominent” ILO programmes working on global supply chains (in addition to Better Work and SCORE) in the [Mid-term report on the implementation of the ILO programme of action on decent work in global supply chains](#) (2019).

## OUR WORK AT THE GLOBAL LEVEL

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Vision Zero Fund held a global stakeholder event at the ILO in Geneva in November 2018. This provided an opportunity for the Fund to showcase achievements, highlight challenges, and detail plans.

Participants expressed support for the Fund's work, and offered suggestions on how it could be further strengthened, and on possible further steps to develop the Fund into an initiative that not only improves OSH, but also helps achieve an equitable distribution of the benefits of globalization. The event was opened by ILO Deputy Director-General for Policy, Deborah Greenfield, and attended by members of the Fund's Steering Committee, teams in the field, representatives from the donor community and the private sector, social partners, and ILO colleagues.

The Secretariat supported country-level efforts to generate evidence on OSH protection, prevention and compensation in the targeted GSCs, and to develop and implement tailor-made interventions. It also proposed conducting research to improve knowledge on prevention and reduction of workplace-related deaths, injuries and diseases in global supply chains. In line with the collective action approach, the Fund leveraged partnerships with key stakeholders.

Evaluations have shown that more needs to be done to integrate gender in all the Fund's activities. The Secretariat engaged gender experts on how best to achieve this. Managers of country projects were given training on gender.

### Funding

By the end of the period under review, the Fund had received over US\$15 million in direct and indirect contributions from the European Commission (DG DEVCO and DG Employment), France, Germany (BMAS), Norway, Siemens, Sweden, the United Kingdom (DFID) and the United States (USDOL). An additional almost US\$4 million was pledged by BMAS, EC DEVCO and EC Employment for the next two years, adding up to over US\$19 million in direct, indirect and pledged funds.

### Governance

The Fund's Steering Committee is the decision-making body. It approves work plans, reports, and proposals from the Secretariat for new projects, and oversees implementation of the Fund's strategy. It is made up of government, donor and ILO representatives and meets at least twice a year.

The Global Tripartite Advisory Council on OSH is an advisory body that provides guidance to the ILO's [Safety + Health for All Flagship Programme, of which Vision Zero Fund is a part](#). It consists of representatives from employers' and workers' groups, partner governments and/or development partners. It meets annually.

At country level, national Vision Zero Fund Tripartite Project Consultative Committees (PCC) are established to ensure continued engagement and ownership by national stakeholders.

# Theory of **CHANGE**

## **VISION**



**Zero severe and fatal work related accidents, injuries and diseases in global supply chains (GSCs)**

## **IMPACT**

Sphere of Interest

Reduced exposure of women and men working in targeted GSCs to occupational safety and health (OSH) hazards at the workplace

## **OUTCOMES**

Sphere of Influence



### **Global Stakeholders**

Strengthened global, regional and national **enabling environments** for the promotion of safe and healthy working conditions in targeted GSCs



### **Governments**

Improved **legal and policy frameworks** to promote and enforce OSH protection, prevention and compensation in targeted GSCs



### **Employers & Workers**

More effective **OSH prevention, protection and compensation mechanisms** for women and men working in targeted GSCs



## **OUTPUTS**

Sphere of Control

Improved coordination among academics, research and policy institutions on OSH knowledge

Enhanced industry-wide, commitment to improve compliance with OSH standards

Improved capacity of governments to collect and analyse data

Improved public capacity to promote and enforce OSH standards

Improved access of workers to compensation mechanisms

Improved capacity of employers and workers' organizations to promote OSH at the workplace

Improved mechanisms to promote OSH at the workplace

Empowerment of workers to engage in promotion of OSH

# COUNTRY-LEVEL OPERATIONS

## WHERE WE WORK



From October 2018 through September 2019, Vision Zero Fund initiated country-level operations in Colombia, Ethiopia, and Mexico, bringing to six the number of country projects. Honduras was selected as the seventh beneficiary country at the end of the period under review.

The Fund trained, or supported the training of about 40,000 labour inspectors and stakeholders, and produced training materials. It supported the development of new OSH standards, carried out studies to improve OSH knowledge and compliance in Ethiopia, Colombia, Mexico, Lao PDR, and Myanmar,

supported efforts to improve access to health services and employment injury insurance (EII), in particular in Myanmar and Ethiopia, and provided replicable OSH improvements. It also held multi-stakeholder events to strengthen collective action in Ethiopia and Myanmar.

# Africa

## Ethiopia

VZF Ethiopia is part of a comprehensive ILO programme – [SIRAYE: A programme on Advancing Decent Work and inclusive industrialization in Ethiopia](#) – and works closely with the Better Work and SCORE programmes. This collaborative approach strengthens the Fund’s work and ensures the sustainability of interventions. VZF Ethiopia was launched in April 2019 in Addis Ababa, with the participation of Labour and Social Affairs Minister Ergogie Tesfaye.

During the reference period, VZF Ethiopia participated in 44 advisory visits in the 33 factories that registered with the programme, and OSH training was delivered to 30,140 workers, 86 percent of them women.

### Additional VZF Ethiopia activities included:

- Commemorating Safeday (April 28) with awareness-raising activities around the importance of safe and healthy working environments for all. Weeklong celebrations were held in Addis Ababa and in industrial zones, attended by 251 men and 79 women. Participants included key government actors such as Bureau of Labour and Social Affairs, Ministry of Labour and Social Affairs, Ministry of Trade and Industry, Ministry of Women, Children and Youth Affairs, non-governmental organisations, employers’ associations, foreign direct investors,

industrial park factories, workers and their representatives.

- Conducting a feasibility study on engagement and investment opportunities to address OSH challenges at industrial parks, an assessment of what drives and what impedes OSH improvements, and an impact assessment to establish the project’s baseline.
- Drafting of a strategic compliance plan for labour inspectors and a case-tracking sheet that helps ensure inspections, follow-ups and possible corrective actions are properly monitored.
- Conducting an assessment to establish how the Private Organizations’ Employees Social Security Agency (POESSA) can improve its IT and administrative processes in line with international standards.
- Participating in efforts to improve employment injury insurance schemes, developing guidelines for assessing disease and injuries, as well as proposals for an improved information system for employment injury insurance registration, contribution collection and claim management.

### Lessons learned:

- Contrary to expectations, initial assessments indicated that factories supplying to global brands did not perform better on OSH than local factories. This provides an opportunity for the Fund to demonstrate its added value to global buyers.



## Madagascar

VZF Madagascar worked with companies operating in the global lychee and textile supply chains, and provided training on OSH in mines at the request of workers' organisations.

### Lychee sector activities included the following:

- During the harvest season, VZF Madagascar and its local partners played a key role in extending occupational health services to 1,100 seasonal workers. Seasonal workers generally don't have access to health services.
- VZF Madagascar provided OSH training to management staff from seven treatment plants and to seven cooperative managers. This training included how to handle an epidemic in the workplace. This is important in a country where plague is recurrent and poses a threat to food exports.
- VZF Madagascar supported local artisans in developing an ergonomic basket, which is safer and easier to handle than the traditional basket used to collect lychees, which is known as garaba. About 1,800 improved garabas were used during the 2018 season, leading to a decrease in the number of cuts.

### Garment and textile sector

VZF Madagascar trained representatives from the main trade union organisations on the

importance of assessment and prevention of OSH risks in factories. As a result, workers' organisations agreed to form and train a task force that would in turn train union members.

### Labour inspection

A task force composed of 12 labour inspectors and directors was established and trained on how to conduct OSH inspections, including in enterprises in the informal economy. The task force in turn trained 245 labour inspectors and controllers – 90 percent of the inspectorate, 130 of them women. Labour inspectors now have the ability to carry out effective OSH inspections throughout the country. The project also advised the government on enhancing the authority of the labour inspectorates, for instance by introducing tools that enable them to directly impose sanctions.

### OSH management

VZF Madagascar helped improve coordination between the various national and regional institutions involved in promoting OSH, and trained their representatives on risk management methods.

### Communication and visibility

To highlight its work, VZF Madagascar produced brochures on improving [safety and health in global supply chains](#) and on the [collaboration with labour inspectors in Réunion Island \(France\)](#).





## Lao PDR

Implementation of VZF Lao PDR began in January 2019. Constituents participated in the planning and implementation of project activities. The Lao government set up a Vision Zero Fund Project Advisory Committee (PAC) and a tripartite Technical Working Group, which evaluates project progress. In addition, the government set up a stakeholders' working group in Champasak province to support implementation in the coffee sector.

### VZF Lao PDR activities included:

- Signing three Implementation Agreements with project partners. These covered, among others, OSH training for coffee farmers, OSH assessment visits to garment factories, and organisation of tripartite technical working groups.
- Conducting an analysis of the effectiveness of employment injury insurance and social security coverage in the private sector. The National Social Security Fund (NSSF) supported the initiative.
- Training 44 labour inspectors.

### In the coffee sector, VZF Lao PDR:

- Conducted an [assessment](#) of drivers and constraints for OSH improvements in the coffee global supply chain.
- Adapted or developed training tools, and provided OSH trainings, including training of

trainers. In Champasak province, 98 percent of coffee farmers who received training said they would recommend it to others. Many immediately implemented some of the lessons, such as removing pesticide and herbicide containers from their living quarters.

- Integrated productivity good practices in OSH training materials for coffee farmers, as the producers, worried about low coffee prices, paid less attention to working conditions, including OSH.

### In the garment sector, VZF Lao PDR:

- Developed training materials for stakeholders, and trained workers and management on how to establish OSH committees, how to run them effectively, and on OSH fundamentals.
- Identified 10 garment factories and one footwear factory to participate in a pilot exercise to improve OSH performance. Labour inspectors now regularly visit these factories to assess OSH conditions and provide OSH training.

### Lessons learned

Technical working group meetings at national and provincial levels to discuss project matters and monitor progress have proved to be effective. VZF Lao encouraged holding them every two to three months. Also, issuing implementation agreements is time-consuming, but they are a worthwhile investment as they promote partners' ownership and commitment, and ensure accountability.

## Myanmar

VZF Myanmar supported implementation of a new OSH law enacted in March 2019. VZF Myanmar also supported the development of OSH standards, procedures and checklists for electrical and boiler inspections.

Significant progress was achieved in improving compensation schemes in two pilot townships, with disability claims processed in 27 days, down from 104 days. A total of 198,000 workers, mostly in the garment sector, about 90 percent of them women, had enhanced access to EII.

### Ginger sector

- In May 2019, VZF Myanmar co-organised a two-day stakeholder event in the town of Aung Ban. The event brought together 101 men and 70 women to discuss awareness of OSH standards, and the role of OSH in promoting compliance with quality and quantity requirements of international markets, as well as other conditions farmers and processors must fulfil in order to meet end-market requirements, such as certification standards. Participants comprised smallholder farmers, food processors, and national and international stakeholders, including global buyers from France, the Netherlands, and Peru, who attended via Skype. Representatives of UNIDO, Winrock International and the VZF Global Programme Manager opened the event. It concluded with a discussion of the support stakeholders need in order to meet international buyers' requirements, improve transparency, and strengthen Myanmar's ginger value chain to ensure sustainable growth and the creation of more and safer jobs. The discussion was particularly pertinent as Winrock International left the region in June, following the conclusion of their project. Numerous opportunities for continued support from Vision Zero Fund and UNIDO were identified.
- Several simple, effective and replicable steps to improve OSH were taken in one large trading house. Workers now have access to a sorting table and no longer have to squat for hours on end. The table provides more space to sort the ginger, and its inclination helps drop the ginger into a sack without damaging it. This has made sorting and

packing more efficient, leading to increased productivity. At the same time, dust inhalation from sorting has been decreased through the installation of a mesh.

- Members of the cooperatives established by Vision Zero Fund and Winrock started to transition from conventional to organic farming.
- Farmers, retailers and consultants were trained on OSH, good agricultural practices, cooperatives, and safe use of agrochemicals.
- VZF Myanmar published a [report](#) showing what drives and what constrains OSH improvements in the ginger value chain in Myanmar.

### Garment sector

- VZF Myanmar published a [report](#) on OSH risk assessment and the business case for OSH in the garment sector. Materials developed by VZF Myanmar on these topics were embedded in the training programmes of two VZF partners.
- VZF Myanmar trained representatives from 73 factories on the new OSH law, on OSH risk assessment, and on the business case for OSH.

An [independent evaluation](#) carried out in August 2019 found that the VZF Myanmar project was highly relevant, used resources efficiently, and made substantial progress towards achieving its objectives.



Ginger worker in Myanmar, ILO 2018



# Latin America

VZF Colombia was launched in April 2019, and VZF Mexico in August 2019. Honduras was added as a beneficiary country at the end of the period under review.

## Colombia

- The project developed a survey to assess health and working conditions of temporary and seasonal workers, who are the most vulnerable in the coffee value chain. The survey will be conducted among 600 workers, at least 30 percent of them women, and the results will inform the development of an OSH action plan.
- The National Federation of Coffee Growers continued working on a two-year assessment of OSH training activities. The findings will be used to improve training.
- A tripartite workshop issued proposals to improve the collection of information on accidents, diseases, perceptions and good OSH practices, and three tripartite plus workshop discussed how to improve OSH regulations.
- The Ministry of Labour and the National Federation of Coffee Growers signed an agreement committing to continue working together to boost the culture of OSH. They formally agreed to use the VZF project as a platform for enhancing their collaboration for creating an OSH culture in the coffee value chain.

## Mexico

- The launch of the project in Mexico took place during a meeting of the National Consultative Commission on OSH, the country's most important tripartite body on OSH. The launch was reflected in the minutes of the meeting, confirming the strategic importance of the project for the country.
- Mexico conducted [an assessment of drivers and constraints](#) for OSH improvements in the coffee value chain, paying particular attention to gender equality, the environment and the link between OSH and productivity.
- The low price of coffee affected the project as producers, worried about income, paid less attention to working conditions, including OSH. The Fund included productivity as one of the crosscutting issues of OSH assessments.

### Lessons learned:

In countries that already have tripartite OSH dialogue structures, as is the case in Mexico and Colombia, working through existing structures helps avoid duplication of effort and stakeholder fatigue, while enhancing ownership, participation and sustainability of the project's results.





# THE WAY FORWARD

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In line with its 5-year strategy adopted in 2019, Vision Zero Fund set the following priorities for its 2019-2020 reporting period:

## **Putting the model of collective action into practice**

Vision Zero Fund will carry out two multi-stakeholder activities in Ethiopia and Mexico to better understand how the model of collective action can be applied to improve OSH in GSCs. These will feed into a policy brief that will guide the Fund's implementation of collective action at global and country levels.

## **Placing greater emphasis on knowledge generation**

Knowledge, data and statistics on OSH deficits are essential in order to establish baselines, identify risks, design intervention models, and allocate costs. The Fund will conduct research to fill the most pressing knowledge gaps. It also plans to generate sex-disaggregated statistics on occupational accidents and diseases in project countries.

## **Improving the integration of gender**

Vision Zero Fund will adopt a strategic approach to gender equality and women's empowerment in all its activities, and ensure that gender considerations are effectively integrated in its methodology. It will develop and commission research on the impact of gender on OSH.

## **Ensuring closer alignment between global and country-level work**

Proposals will be developed for the second phases of projects in Madagascar and Myanmar and for eventual new country projects. These will be presented to the Steering Committee in November 2020 for discussion and approval.

## **Attracting more donors**

Vision Zero Fund will seek new funding, in particular from G7 and G20 countries, and from the private sector.

## **Improving communications**

Vision Zero Fund will aim to continue to enhance its work on communications, and develop communication materials to improve its visibility and support mobilization efforts.

## **Strengthening and enhancing the VZF results-based management framework**

Vision Zero Fund plans to continue to improve its monitoring and evaluation system to ensure that progress is adequately tracked, and to undergo a cluster evaluation in mid-2020 that will further inform the implementation of the strategy.



The VZF brings together governments, employers' and workers' organizations, companies, and other stakeholders to advance towards the vision of achieving zero severe and fatal work-related accidents, injuries and diseases in global supply chains. The VZF works at global, country and workplace levels, and currently focuses on the agriculture and garment supply chains. It is an initiative of the G7, and has been endorsed by the G20. The International Labour Organization (ILO) administers the Fund and implements its projects.

## International Labour Organization

Labour Administration, Labour Inspection  
and Occupational Safety and Health Branch  
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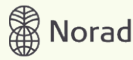
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