THE AMERICAS GROUP IN REVIEW 2024–2025

JUNE 2026 **TO:** Americas Group (AG) **FROM:** AG Coordinating Committee[1]

The report below covers the work of the Americas Group (AG) in 2024 and 2025, which were pivotal decision-making years for the AG and its Central America and Mexico committees, as well as final work carried out in the first part of 2026.

In early 2024, the AG Coordinating Committee (CC) initiated a process of evaluation of the future of the Americas Group, which also involved the coordinators of both the Central America and Mexico committees. In July 2024, the CC sent out a survey of all company members to assess their level of commitment to contribute to the work of the AG going forward and their priorities for that work.

Nineteen of 23 companies responded to the survey. Of those, the vast majority wanted the work of the AG to continue; and only one company reported it would be discontinuing participation at the end of 2024. Of the brands that wanted the AG work to continue, only two respondents indicated a willingness or capacity to expand their company's involvement in the AG's programs and its coordination. Over time, these responsibilities had shifted primarily to the Maquila Solidarity Network (MSN) and a small number of active leading companies, resulting in an operational model that was no longer sustainable. As a result, the Coordinating Committee recommended to both the Mexico and Central America committee coordinators that the AG implement a 'responsible closure' over 2025, to be completed in the first quarter of 2026. That proposal was agreed upon and then presented to both committees on their respective year-end full committee calls. On September 2, 2025, the AG CC communicated that decision formally to all AG members. We also advised long-time labour stakeholders of the decision.

Despite this lengthy consultative process and difficult final decision, both the Central America and Mexico committees continued their programs throughout 2024 and 2025, including promoting employer guidance tools on freedom of association in both El Salvador and Mexico, assessing legal obligations for employer-supported childcare and severance pay in El Salvador, and learning about new employer requirements to prevent gender-based violence and sexual harassment in Mexico. The Central America Committee hosted in-person company-labour dialogue sessions in El Salvador in both 2024 and 2025 and in Honduras in 2025. In Mexico, labour partners participated in panel discussions on employer obligations under Mexico's reformed Federal Labour Law at annual in-person meetings of the Mexico Committee in both years.

[1] As of June 2026, the AG Coordinating Committee consisted of Remy Arguello, adidas; Sam Diaz, VF Corporation; Shelly Han, Fair Labor Association; and Bob Jeffcott and Lynda Yanz, Maquila Solidarity Network. There were various changes in the members of the Committee over these past two-plus years, with the resignation of Fanatics (Kristin Lusis), LS&Co (Holdy Hernandez), New Balance (Rolando Grillo), and Nike (Jason Tucker). Tragically, in August 2025 Julian Vargas (adidas) passed away from complications of a rare autoimmune disorder. Over more than a decade Julian was a central pillar and creative force in the Mexico Committee and the AG overall.

CENTRAL AMERICA COMMITTEE – 2024

On April 17, 2024, the Central America Committee held a virtual meeting with 30 participants from 17 companies, the Fair Labor Association (FLA) and the Maquila Solidarity Network (MSN). The main focus of the meeting was a report back from companies on their activities and plans for use and promotion of the FOA Guidance for El Salvador.[2] Five companies reported that they had had communications about the Guidance with at least some of their suppliers, and three companies reported that they had had discussions with all of their suppliers. Plans were also discussed on how to engage with Salvadoran unions on the content, purpose and possible use of the Guidance by their members and other Salvadoran civil society organizations. VF Corporation reported on the first stages of a special initiative of the company to facilitate implementation of the Guidance with Salvadoran supplier factories.

At that same meeting, Teresa Casertano, the regional director of the Solidarity Center for Central America, provided an overview of labour rights developments in the garment-producing countries in the region, including the political situation in each country, activities of labour authorities and unions, and an assessment of opportunities and challenges in each country.

In June 2024, the AG hosted and MSN facilitated a training session with 18 factory-level leaders of union *seccionales* affiliated with FEASIES, the country's largest union federation in the garment maquila sector. The workshop gave the union participants an opportunity to learn more and ask questions about the CA brands' expectations of their Salvadoran suppliers regarding respect for workers' right to freedom of association and collective bargaining.

In November 2024, the Committee hosted an in-person company/labour dialogue session in San Salvador with our Salvadoran labour partners FEASIES and the women's organization ORMUSA.[3] The priorities for that session were: options for employers to meet new legal requirements on access to childcare facilities, how to mitigate the impacts of factory closures on workers and ensure they receive full legal severance, the union federation's capacity-building work with their members on these issues as well as sexual harassment and gender-based violence in the workplace, and companies' progress on the implementation of the Employer Guidance on FOA.

CENTRAL AMERICA COMMITTEE – 2025

As follow-up to the November 2024 in-person company/labour dialogue session, in early 2025, the Committee carried out a survey with 18 Salvadoran suppliers of AG brands on options for the provision of childcare services for the children of their employees. Only 11% of those employers preferred using the government-approved Early Childhood Care Centres (CAPIs), and 61% preferred providing subsidies directly to their employees. Major disincentives to the use of CAPIs were the lack of authorized CAPIs, the distance of most authorized centres between the workplace and workers' homes, and the cost of care.

---

[2] maquilasolidarity.org/en/employer-guidance-ensuring-respect-freedom-association-el-salvador-october-2023.

[3] These sessions were held annually between 2015 to 2019, but were suspended for 2020 due to the Covid 19 pandemic. The CA Committee and labour partners met in person again in November 2023 to launch the El Salvador FOA Employer Guidance.

Central America Committee meeting in San Salvador, El Salvador, October 7 & 8, 2025.

In October 2025, the Committee hosted a second in-person dialogue session in El Salvador, together with FEASIES and ORMUSA. The session included a discussion on how the FOA Employer Guidance was being used in practice, with an update from VF Corporation on its program to implement the Guidance with its Salvadoran suppliers. Adidas reported that it too had initiated a special program to monitor and promote implementation of the Guidance and that they were working with labour rights expert Ena Nuñez to lead that work. Ena had worked closely with the Committee in the development of the Guidance.

The October meeting also included a detailed discussion of labour concerns and employer obligations regarding severance payment and contracting practices, as well as childcare, given the disappointing lack of action by the Salvadoran government on its March 1, 2025 deadline for factories to ensure that the children of their employees have access to childcare.[4] As of May 1, the number of registered Early Childhood Care Centres, or CAPIs was still minimal with few in locations accessible to maquila workers.

In the same month, the Committee co-hosted a dialogue session in Honduras together with the *Red de Sindicatos de la Maquila-Honduras* (RSM-H), which represents workers from over 20 factories from the three key union federations in the country. The RSM-H delegation included the union network's Coordinating Political Commission and 20 local union representatives. The Central America Committee delegation included social compliance staff from six companies, as well as representatives of the FLA and MSN. Daniel Facussé, president of the Honduras Maquila Association (AHM), and Honduran labour rights expert Yadira Minero also participated in the session.

[4] El Salvador employers' legal obligation to guarantee early childhood care services, FLA Issue Brief, October 2025. fairlabor.org/wp-content/uploads/2025/10/Issue-Brief_El-Salvador-childcare-requirements_English_10.2.25.pdf.

Priority issues discussed were the impacts of job losses and factory closures in the current economic and political context, and chronic work-related illnesses and injuries suffered by workers who were now laid off, many with 20 or more years of work experience. Labour and company participants in the session agreed to establish a small commission to review existing health and safety policies and research and develop an action plan related to ergonomic related injuries.

The Central America Committee held its final call on February 12, 2026 with 35 participants representing 22 companies, the FLA and MSN. The agenda included reports on the October in-person company-labour dialogues in San Salvador and Honduras and a discussion of the December 2025 legal opinion from the Salvadoran Ministry of Labour challenging the FLA and AG position regarding annual severance payments and continuation of employment contracts with those payments.[5] The call ended with an overview of the committee's decade of collaboration, including the highlights, achievements and challenges.

MEXICO COMMITTEE – 2024

A major focus of the Mexico Committee's work in 2024 was the review and adoption of its updated *Employer Guidance on Freedom of Association in Mexico*, which was published in June 2024.[6]

The June in-person meeting of the Committee included an initial discussion on how to effectively implement the Guidance with Mexican suppliers, and a panel discussion on promoting FOA and gender justice with

Mexico Committee meeting in Mexico City, June 19 & 20, 2024

[5] Advance severance payments to garment workers in El Salvador (Update), FLA Issue Brief, June 2025. fairlabor.org/resource/advance-severance-payments-to-garment-workers-in-el-salvador-2.

[6] maquilasolidarity.org/en/employer-guidance-freedom-association_mexico.

representatives of three trade union and labour rights organizations, Benedicto Martinez of the *Frente Auténtico del Trabajo* (FAT), Julia Quiñones of the *Comité Fronterizo de Obreros y Obreras* (CFO), and Inés González of the *Red de Mujeres Sindicalistas*.

Following that meeting, MSN and the Mexico Steering Team developed a detailed proposal for a pilot project for the implementation and monitoring of the FOA Employer Guidance. The proposal, which was to cover the period January-June 2025, was discussed and agreed to by the Committee on its November 2024 year-end virtual meeting. Over that period the Steering Team began work with an experienced social auditor[7] to develop a Supplier Compliance Evidence Tool to be used by brands with their suppliers in order for the suppliers to document and provide evidence on improvements in their policies and practices regarding FOA. Mexico Committee brands were asked to confirm their participation in the pilot, and provide the names of suppler factories they would be inviting.

MEXICO COMMITTEE – 2025

Over 2025, a group of seven brands in the Committee worked with a group of their Mexican suppliers selected to participate in the pilot project for the implementation of the FOA Guidance, using the FOA Compliance Evidence Tool.[8] In March 2025, the Committee sponsored two webinars for 20 suppliers to introduce the pilot project, its objectives, and the use of the Evidence Tool.[9] The seven brands constituted a FOA Working Group, which met regularly to share progress with suppliers and emerging issues.

Given the amount of time needed to communicate with their participating suppliers and to monitor and assess their reports, in June 2025 the participating brands decided to reduce the number of suppliers taking part in the pilot project. Completion of the pilot project took longer than anticipated, through April 2026. Detailed factory assessments and an initial report were shared with participating brands in April 2026. The final report was published and circulated to the Mexico Committee in late June and will be posted shortly on the Americas Group page on the MSN website (see link p. 6).

In addition to the FOA Compliance Pilot Project, the June 2025 in-person meeting of the Mexico Committee included a panel discussion on gender justice and employer responsibilities regarding gender-based violence and sexual harassment in the workplace. Resource people on the panel included: Julia Quiñones and Yakary Morales of the *Comité Fronterizo de Obreros y Obreras* (CFO) and Inés González, who had been appointed the Secretary of Labour for Mexico City.

The Mexico Committee's final call took place on March 17, 2026, with 21 representatives from 12 companies, the FLA and MSN participating. The agenda included: a reflection on the accomplishments of the Mexico Committee, a discussion of the impacts of tariffs and the Middle East Conflict on social compliance, a report on the FOA Guidance pilot project, and presentation of recent labour legislation and policies adopted by the Mexican government.

---

[7] Margarita Estrada previously participated in the Mexico Committee and Steering Team as a representative of Fanatics.

[8] The seven brands were adidas, Carhartt, Nike, Puma, Gap, Levi's, and VF Corporation, who together with MSN constituted the FOA Working Group.

[9] This work was overseen by the Mexico Steering Team, working closely with Margarita Estrada. MSN and Margarita jointly provided technical assistance and coordinated the project roll out and the FOA Working Group. The Mexico Committee Steering Team included Alex Zatarain, Carhartt; Antonio Leal, Nike; and Sam Diaz and Katya Castillo, VF Corporation.

MONEY MATTERS

In 2024 the Americas Group's total direct revenue contributions were USD $135,400, a small $1,400 decrease over 2023. Program expenses for 2024 were $129,348, resulting in a year-end surplus of $6,052 that was added to our accumulated reserve, which stood at $54,198 as of January 2025. All contributing brands received a detailed 2024 financial report on March 11, 2025

Also in March 2025, the AG CC sent out a funding request to all participating brands to recommit financially to the AG's work in 2025. In that request, the CC clarified that there would not be an additional request in 2026, and that the accumulated reserve would be used to cover any final programming costs in 2026 and ensure a responsible closure of all AG obligations. The response was positive. 2025 revenues were $138,400, which included a contribution from a new participating brand, Unrivaled Teamwear.

AG participants who contributed financially in 2024 and/or 2025 included: adidas; American Eagle Outfitters; Bella+Canvas; C&A; Carhartt; Dicks Sporting Goods; Fanatics; Fruit of the Loom*; Gap Inc.; Gildan Activewear; Hanesbrands Inc.; LS&Co.; L2 Brands; New Balance; Next Level; Nike; Patagonia; PopSockets; Puma; PVH Corporation*; SanMar; Tegra Global; Under Armour; Unrivaled Teamwear*, VF Corporation; and the Fair Labor Association.[10]

CONCLUSION

After 20 years promoting multi-stakeholder collaboration and company-labour dialogue to achieve sustainable solutions to endemic labour rights issues in the garment industry in the Americas, the decision to close the Americas Group was a difficult one for all of the companies and civil society groups involved.

In our September 2, 2025 letter announcing the closure of the AG, we pointed to the negative impacts of the pandemic and ongoing resource constraints that have continued to limit engagement, and particularly time and travel AG members can contribute to this work. We would add the difficulty of planning and setting time-bound objectives under the current climate of uncertainty and lack of predictability in an era of tariffs and threats of tariffs.

The fact that several AG members have expressed interest in continuing to collaborate on priority issues and stakeholder engagement beyond the life of the AG, as well as MSN's willingness to continue to carry out its labour rights work, gives us hope this important multi-stakeholder work initiated by the Americas Group will continue through other initiatives.

Thanks to all who have contributed to the important work of the Americas Group over the past 20 years.

Americas Group Coordinating Committee

[10] Unrivaled Teamwear joined the AG in 2025 so only contributed that year. Other companies with an asterisk did not renew their participation in 2025, so only contributed financially in 2024.

AMERICAS GROUP ANNUAL REPORTS and
PUBLICATIONS OF THE MEXICO AND CENTRAL AMERICA COMMITTEES are available here.