

IGS INITIATIVE FOR
GLOBAL SOLIDARITY

10/24

**Sustainability
Forward**
News from the IGS

DEAR READER,

we look back on exciting and eventful months – this newsletter is packed with updates and insights into the IGS' work. We would like to share three highlights with you to start with.

1

German Development Minister Svenja Schulze (SPD) travelled to Pakistan in August, the focus of the trip: Sustainable and fair supply chains in the textile industry.

More than a third of all employees in Pakistan work in the textile sector, making it the country's most important industry. At the same time, Europe is the largest sales market for Pakistani textiles. The IGS is involved in various local projects for the implementation of Human Rights and Environmental Due Diligence amongst companies. Two of these projects were also on the Minister's programme:

A Memorandum of Understanding (MoU) was signed in Islamabad to establish a **Responsible Business Helpdesk (RBH)** in Pakistan. The signing ceremony was attended not only by Minister Schulze, but also by Pakistan's Minister of Commerce, Jam Kamal Khan. We are delighted to welcome the eighth helpdesk to the RBH Network – you can read more about this on page 17 of the newsletter.



Minister Schulze (third from left) surrounded by members of Pakistan chambers and GIZ.

Ms Schulze also spoke with representatives of trade unions, industry and the **International Accord** about challenges and possible solutions. The discussion centred, among other things, on safety in the workplace and how internationally binding agreements such as the International Accord can provide support.

International Accord

The International Accord is a legally binding agreement between trade unions and companies to improve occupational health and safety in the textile industry, in particular by establishing effective grievance mechanisms through which workers can claim their rights and report violations of minimum occupational health and safety standards. In Pakistan, over 120 global brands and retailers have already signed the legally binding agreement. Safety inspections are already in full swing in 550 factories. These measures will enable around 500,000 employees to have a safe workplace.



More Information:

[BMZ Press Release \(German\)](#)

[taz Article \(German\)](#)

[Germany's development cooperation with Pakistan](#)



2

At the “Over to Implementation: Decoding Due Diligence & Equipping Industry for CSDDD Success” conference in Brussels on September 4, Kristin Apffelstaedt, Technical Advisor for the Initiative for Global Solidarity (IGS), shared insights from the IGS’ work on fostering due diligence in supply chains and presented current projects.

More than 150 participants at the conference addressed the question of what the industry needs from the EU in order to implement the upcoming Corporate Sustainability Due Diligence Directive (CSDDD).

According to the experience of the IGS, harmonised data systems, responsible purchasing practices and effective complaints mechanisms are central to transparent supply chains and a risk-based approach to due diligence.

The RBH Network plays a special role: “The helpdesks raise awareness of the requirements of HREDD and offer simple and easily accessible guidance and training”, says Kristin.

It is also important that the EU continues to support the promotion of open standards for supply chain data and the promotion of responsible purchasing practices, e.g. by providing further guidelines for the industry.



“ Not only harmonisation in the transposition into national law, but also in the accompanying support measures and cooperation between industry players will be crucial for the successful and uniform implementation of the CSDDD.

Kristin Apffelstaedt

3

New study reveals tough working conditions in Serbia's automotive industry, calling for improved wages, safer environments, and stronger union representation.

Accordingly, low wages, long hours, and poor health and safety standards are common. Workers in the industry report feeling undervalued, and many struggle with the physical and mental toll of their jobs. The study highlights a critical need for dialogue between workers, employers, and government bodies to address these issues and create fairer, safer workplaces.

Among the key recommendations are raising wages to match the cost of living, improving health and safety measures, and empowering unions to represent workers more effectively. These findings are an important step toward real change in the industry, offering a roadmap for improving workers' rights and ensuring the long-term sustainability of the sector.

This research is part of the IGS' ongoing efforts to assess and improve human rights due diligence in Serbia's automotive industry. With nearly 95,000 workers employed in the sector, the industry is critical to the national economy. The aim of the study was to facilitate dialogue and address the key risks in order to help prevent, mitigate and remedy them.



Download the study here:
[The Position of Workers in the Serbian Automotive Industry](#)





**YOU CAN
ONLY
IMPROVE
WHAT
YOU CAN
MEASURE!**

Credible and standardised data on environmental and social risks is a prerequisite for the implementation of due diligence.



OBJECTIVES OF THE IGS

- Coordinated standards for social and environmental data are in place
- Suppliers have access to capacity building for the collection of sustainability data
- Publicly accessible data on supplier networks make supply chains more transparent

IMPROVING DATA MANAGEMENT FOR MORE SUSTAINABLE TEXTILE FACTORIES

The IGS is working on various projects to improve the quality and availability of environmental data in textile supply chains. Two key initiatives were presented at the Cascale Annual Meeting in Munich in September.

In the project **Accelerating social & environmental supply chain due diligence by standardised open assessment frameworks and data sharing models**, the IGS, Cascale, ZDHC (Zero Discharge of Hazardous Chemicals) and Aii (Apparel Impact Institute) are working on aligning data management and reporting tools. The aim is to standardise and significantly simplify data collection and reporting for textile factories.

The IGS training programme **To the Finish Line** (TFL) trains employees in the Vietnamese textile industry in collecting better and more accurate data on environmental performance using Cascale's Higg FEM 4.0 tool. Around 1,900 manufacturers have already participated in the training programme. While GIZ financed TFL 2022 and TFL 2023, TFL 2024 is fully financed by the contribution of a group of brands.

The Cascale Annual Meeting was well attended by over 600 stakeholders, and the two IGS sessions sparked lively discussions on how environmental protection and sustainability in the textile industry can be further improved with the help of data management.



MORE INFORMATION:

[Cascale Annual Meeting](#)

[TFL – To the Finish Line of Higg FEM](#)



Panelists discuss how an alignment data management approach will support the implementation of due diligence.

DISTRIBUTING RISKS FAIRLY!



The effective implementation of HREDD depends on cooperation between purchasing and manufacturing companies.



OBJECTIVES OF THE IGS

- International frameworks promote partnership-based implementation of HREDD
- Shared responsibility models reduce risks in supply chains
- Tools for responsible purchasing practices are available

DECARBONIZATION WITH SUSTAINABLE PROCESS HEAT SOLUTIONS

By replacing the coal-fired boiler with a biomass one, Minh Tri Thai Binh – a medium size garment manufacturer in Vietnam that supplies Fenix Outdoor and some other international fashion brands – will decrease emissions about 1,500 tons CO₂ per year and reduce its costs for steam production by 30 per cent.

Receiving technical support and consultancy from GIZ and the service provider employed by Fenix Outdoor, the factory successfully transformed and installed a new boiler at the end of July 2024.

Likewise, five other textile and garment manufacturers in Vietnam are benefiting from the initiative. They receive technical support from GIZ and their buyers to switch the process heat system from using coal and other CO₂ intensive fuel to more sustainable technologies – reducing greenhouse gas emissions and dependency on fossil fuel supply.



“ I believe there should be more such initiatives that help connect parties in the supply chain to improve the performance. When brands and experts work together, sharing concerns and difficulties with manufacturers like us, improvements will happen more quickly and effectively.

Dao Thanh Liem, CEO of Minh Tri Thai Binh Co. Ltd

Background information

The ‘Sustainable Process Heat Solutions for the Decarbonization of Garment and Textile Supply Chains in Vietnam’ (short name: Coal phase out) is a joint effort between GIZ’ Initiative for Global Solidarity (IGS) and the UN Fashion Industry Charter for Climate Action, aiming to reduce GHG emissions in the textile and garment sector by supporting factories switching towards more sustainable process heat systems.

Impact

700 workers will benefit from better air quality and improved safety due to the replacement of coal boilers with more sustainable alternatives. CO₂ emissions will be reduced by 1,500 tonnes per year and the costs for steam production by 30 per cent.

“LIVING WAGE IS A SENSITIVE TOPIC FOR EMPLOYERS AND EMPLOYEES”

Q&A with Tiffany Rogers

– Director of Innovation & Development, Manufacturing at the Fair Labor Association (FLA)

(1) What does FLA do for higher wages in global textile supply chains?

When we started to work on living wages in 2011, many questions arose, first of all: What is a living wage? And most importantly, how would FLA, our members, and supply chain partners work collaboratively with workers to improve wages? After a decade of research, testing, learning from mistakes, and building partnerships, we launched our Fair Compensation Toolkit, joined the Global Living Wage Coalition Action Network, and continued to strengthen our standards for companies on responsible purchasing practices.

(2) What was your approach to improving wages?

Living wage is a sensitive topic for both employers and employees, influenced by factors like purchasing practices, minimum wage-setting, and economic conditions. Through our projects with the IGS, we’ve emphasized the need for knowledge-building among factories, unions, and workers. In Vietnam and Bangladesh, we’ve identified practices that pressure wages downward, such as focusing solely on minimum wages and relying on excessive overtime. Our goal is to highlight how companies can improve their impact on workers’ wage growth.

(3) What are your plans for scaling your work on living wages?

Living wage progress in one sector or country will impact local jobs and employers in adjacent sectors and countries. So, we continue to invest in improving our measurement and analysis tools so they are scalable for global supply chains in manufacturing, and we are moving upstream with our wage tool development for farm workers’ wages.

Background information

FLA is an international network that promotes human rights at work. FLA’s living wage projects with the IGS explore how buyers, suppliers, and workers can improve purchasing practices, compensation practices, and worker engagement and dialogue.

For example in Vietnam, more than 14,000 workers benefit from the FLA’s investigation into possible levers to promote living wages.



MORE INFORMATION:

[Fair Compensation Toolkit](#)
[Manufacturing Principles](#)

BUILDING TRUST & EQUITY: RESPONSIBLE PURCHASING PRACTICES AS THE NEW NORM

At the high-profile meeting on September 9 in Munich, hosted by the IGS and The Industry We Want (TIWW), over 130 key stakeholders gathered to explore the transformative power of Responsible Purchasing Practices (RPP) in the garment and footwear sector. One enthusiastic participant remarked, “[This event] shows that Responsible Purchasing Practices is firmly on the agenda. Now we need to see action on it!”

Two IGS projects were presented, focusing on fair cost-sharing between brands and manufacturers:

- **Sustainable Process Heat Solutions:** In collaboration with the UNFCCC’s coal phase-out project, brands and manufacturers work together to switch from coal to more sustainable process heat systems. This partnership is a testament to the power of collaboration in driving environmental sustainability.
- **Wages and RPP:** A brand shared their engagement with manufacturers to raise wages for workers both within their membership in Fair Wear, as well as a project by the IGS and the Fair Labor Association (FLA) in Vietnam.



MORE INFORMATION:

[Full agenda of the event \(PDF\)](#)

[The Industry We Want](#)

[Responsible Contracting Project](#)

[About the community — The Common Framework](#)

Workers need a holistic ecosystem to report violations of human rights and to seek remedy in case of violations.

**SEE,
UNDER-
STAND,
IMPROVE!**



OBJECTIVES OF THE IGS

- Workers have access to effective grievance mechanisms
- Stakeholders are trained in the implementation of local grievance mechanisms
- Cooperation agreements promote the harmonisation of external safety nets for workers

SERBIAN TRADE UNION REPRESENTATIVES ON A STUDY TRIP

In September members of Serbian trade unions met with representatives of German ministries, trade unions and other organisations in Germany. Topics were compliance with labour rights and due diligence obligations in global supply chains by companies, the importance of effective grievance mechanisms and how companies can be involved at an early stage.

Following the insights of the study visit, Serbian trade unions are ramping up their efforts to hold companies accountable for labor rights and due diligence in global supply chains. Through partnerships with German NGOs, support has been secured for assisting Serbian unions in filing complaints.

Additionally, BAFA representatives presented their guidelines and offered ongoing channels for further consultation. These follow-up initiatives will enable Serbian trade unions to take a more proactive role in promoting responsible supply chains and safeguarding workers' rights, both in Serbia and internationally.

The ten participants from Serbia met with representatives from the Federal Ministry of Labour and Social Affairs (BAMS), the Federal Ministry for Economic Cooperation and Development (BMZ), the German Trade Union Confederation (DGB), the Friedrich Ebert Stiftung (FES), German Watch, the European Center for Constitutional and Human Rights (ECCHR), the Federal Office for Economic Affairs and Export Control (BAFA) and members of the Bundestag.

Background information

The study visit and follow-up collaboration are part of the IGS' cooperation with ILO Serbia, that aims to strengthen trade union capacities in tackling labor rights issues in global supply chains. The goal is to ensure that unions have the tools and partnerships needed to engage businesses and protect workers effectively through effective and accessible grievance mechanisms.



"A GROWING AWARENESS AND WILLINGNESS TO TAKE OWNERSHIP"

Q&A with Ali Sampreety

– Core Trainer at Awaj Foundation, one of six participating NGOs about the trainings and lessons learnt

(1) What is the training programme about?

The main objective is to build the capacity of factory management and employee representatives in creating a safer and more respectful working environment. Fair Wear's training modules focus on raising awareness of harassment in the workplace, explaining the role and functioning of an anti-harassment committee (AHC) and providing tools for conflict resolution and effective communication.

(2) How did you experience the training sessions?

The training sessions were very interactive and well received, especially the role plays. My experience as a trainer was enriching, as it allowed me to witness firsthand the shift in perceptions around workplace harassment. Many participants started the training with limited understanding of what constitutes harassment or how it impacts both the workers and overall productivity. However, as the sessions progressed, I observed a growing awareness and willingness to take ownership of the problem.

(3) What has changed since the training sessions?

Training has emphasised the importance of dialogue and mutual respect and, as a result, the general atmosphere in some factories has improved. Complaints and grievances are being handled more systematically with the support of the newly established AHC. The aim now is to maintain the positive changes initiated during the training sessions. The long-term goal is to embed these practices in the factory culture and make the workplace safer and more inclusive for all workers.

Background Information

With the project "Preventing genderbased violence and harassment in the workplace" the IGS together with Fair Wear strengthens the capacities and procedures of the anti-harassment committees (AHC) in the factories so that they can handle complaints of gender-based violence and harassment more effectively.

Impact

24 trainers from six local organisations received training. Subsequently, 180 capacity building trainings were conducted in 60 factories to strengthen AHCs in handling and resolving grievances.



MORE INFORMATION:

[Awaj Foundation](#)
[Fair Wear](#)

GRIEVANCE MECHANISMS: HOW TO STRENGTHEN LABOUR RIGHTS

Our Panel at the recent UN “Responsible Business and Human Rights Forum” in Bangkok, which was jointly organized by the IGS and the Dutch NGO SOMO, dealt with this question. It became clear that key success factors for a robust social dialogue are to engage trade unions to build trust between employers and workers and to use the leverage of buying companies.

The panel presented research and lessons learnt from projects in China, Bangladesh, Cambodia and Vietnam on supply chain data and the role of complaints mechanisms in the electronics and garment sector.

Accordingly, social media mapping and supply chain data can make a significant contribution to raise awareness about potential risks and violations and to gather evidence. In addition, opportunities to complain about violations of human rights or environmental regulations must not only be known, but access must also be easy and risk-free.

Representatives from the ILO Better Work Programme, CUMW Cambodia, and Researchers from SOMO and the China Labour Bulletin took part in the discussion.



Link:
[GIZ Thailand's post on LinkedIn](#)

STRENGTHENING LOCAL CAPACITIES!

Suppliers and stakeholders in producing countries need support in implementing due diligence obligations.

OBJECTIVES OF THE IGS

- Responsible Business Helpdesks in producing countries offer information, networking and advisory services for companies and other stakeholders to perform due diligence
- The capacities of companies and other stakeholders to perform due diligence are strengthened and they are increasingly implementing them

GERMANY AND PAKISTAN AGREE ON HELPDESK FOR LOCAL TEXTILE COMPANIES

On August 21, a Memorandum of Understanding (MoU) between GIZ Pakistan and the Federation of Pakistan Chambers of Commerce & Industry (FPCCI) was signed to open the 8th Responsible Business Helpdesk (RBH). The RBH Pakistan will support the local textile sector on their road to sustainability and getting ready for new supply chain legislations.

The signing took place in presence of Germany's Federal Minister for Economic Cooperation and Development, Svenja Schulze, and Pakistan's Minister of Commerce Mr. Jam Kamal Khan.

With over 40 per cent of Pakistan's exports coming from textiles, this partnership could significantly enhance industry accountability and sustainability. The next steps involve developing training programmes and resources designed to guide businesses toward ethical practices.

“We support Pakistani export companies, for which European companies are important customers, in seizing the opportunities of sustainable production and positioning themselves as responsible producers in global competition. To this end, we will set up a helpdesk for companies in Pakistan, which is already proving its worth in many other countries with its range of advice and training services.

Development Minister Schulze

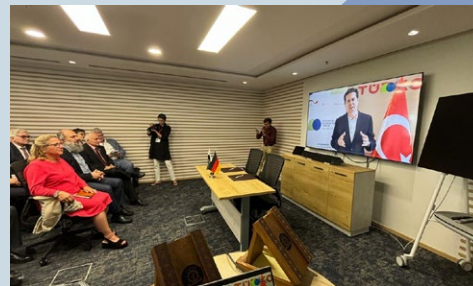


MORE INFORMATION:

[The RBH Network on LinkedIn](#)
[BMZ Press Release \(German\)](#)



Signing of the MoU in Islamabad, Pakistan



Mr. Ada Batu from RBH Türkiye sends digital greetings to Pakistan

“A SIGN OF COOPERATION AND MUTUAL SUPPORT”

Q&A with Rikke Agerholm Therkildsen

– Regional Sustainability Advisor at the Royal Danish Consulate General in Istanbul

(1) What are your expectations from the recently signed Memorandum of Understanding (MoU)?

It is a sign of cooperation and mutual support. We want to show other stakeholders, that we believe in the benefits of a collaboration with The RBH network – for us and for the Danish companies. I hope and believe that the agreement will strengthen our partnership and show concrete results in form of joint activities in the short term.

(2) How do you think the services of the RBH Network and Danish Trade Council will complement each other?

Especially in the areas of stakeholder engagement, awareness creation, company support and motivation, we follow similar approaches. Sharing information and knowledge on local conditions, as well as global developments, is key for our joint success and enables us both to achieve a greater reach and impact, than if we did not have this close collaboration.

(3) How could we inspire collaboration among EU Member States to support the continuation of RBH services in different partner/supplier countries?

Our recently held roundtable for EU member states in the Royal Danish Consulate General in Istanbul is a good example of how we can gather forces and inspire and motivate others to act. Furthermore, we plan to meet jointly with the EU delegation in Türkiye as a follow up and to hear how we can support their upcoming project on HREDD. Such meetings strengthen and motivate – and enable us to work more efficiently with stakeholders. We therefore hope that other EU countries will join us.

Concrete results of the cooperation The first step in this partnership was a Roundtable Event on September 9, at the Royal Danish Consulate General in Istanbul, where EU representatives sought alliances to enhance HREDD and implement the EU Corporate Sustainability Due Diligence Directive in Türkiye.



Our Objectives

The Initiative for Global Solidarity strives to achieve tangible improvements for people and the environment in producing countries.

425,000

Workers are exposed to fewer risks in the workplace.

Already achieved: 558,719



350

Companies take advantage of the RBH services

Already achieved: 1,000



500,000

Workers have access to grievance mechanisms

Already achieved: 375,425



150

Companies integrate sustainability indicators in their data management

Already achieved: 92



1,000

Stakeholders are trained in the implementation of grievance mechanisms

Already achieved: 1,629



Outlook

October

- **October 22** – *In person*: Launch event on practical HREDD guide for Cambodian GFT manufacturers, in collaboration with TAFTAC, CGTI and RBH Cambodia
- **October 28–29** – *In person*: UNDP Dialogue Conference on Business and Human Rights in the Arab State Meet our RBH Tunisia Team in Doha, Qatar

November

- **November 5** – *Online*: Launch event on HREDD training toolkit for trade unions, in collaboration CNV Internationaal
- **November 12** – *In person*: International Human Rights Due Diligence Legislation - A Chance for Trade Union Cooperation, Belgrade, Serbia
- **November 13** – *In person*: Impact of the EU Corporate Sustainability Due Diligence Directive (CSDDD) on Serbian Businesses, Belgrade, Serbia
- **November 13** – *Online*: Implementing Responsible Purchasing Practices Sharing progress and lessons learn. Register [here](#)
- **November 21** – *Webinar*: Open Data Opens Doors by Open Supply Hub Register [here](#)

Webinar series To the Finish Line of Higg FEM 2024

More Information [here](#)

- **October 22**
Basic: HIGG FEM Level 1-3
- **October 25**
Basic: Higg FEM Level 1&2
- **October 29**
Deep Dive: Waste Management toward Textile
- **November 1**
Advanced: Higg FEM Level 3

Preview: Trade unions driving effective due diligence

With GIZ support, UNI Global Union, Friedrich Ebert-Stiftung (FES) and the German Trade Union Confederation DGB, are setting up a Human Rights Due Diligence Centre for trade unions with three goals:

1. Capacity building of trade unions in global supply chains to use due diligence to secure workers' rights
2. Thought leadership for effective HRDD
3. Strategic initiatives using HRDD to protect workers' rights

More Information at UNI Global Union and in our next newsletter!

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On behalf of German Federal Ministry for Economic Cooperation and Development (BMZ)

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IGS INITIATIVE FOR GLOBAL SOLIDARITY

The Initiative for Global Solidarity (IGS) promotes the implementation of human rights and environmental due diligence in global supply chains by scaling and harmonising proven approaches.

The IGS supports stakeholders along global supply chains to exercise shared responsibility for the impacts of business practices on people and the planet.

The IGS is working on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) and is implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

Further information about the IGS can be found [here](#)