

IGS INITIATIVE FOR GLOBAL SOLIDARITY



Sustainability Forward

News from the Initiative for Global Solidarity

February 2023



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 enables buying and supplying companies in the garment and electronics sector to exercise shared responsibility for the impacts of their business practices on people and the planet.

The initiative 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 can be found here:

www.giz.de/en/worldwide/104594.html

Meet the Team of the IGS

Global Team



National Teams



The Due Diligence Facility

Collective Action – a new Facility on Due Diligence

As part of IGS, a new Due Diligence Facility will leverage collaborative projects on reducing risks in supply chains and building due diligence capacities in partner countries.

The BMZ commissioned the IGS with additional funding to establish a Due Diligence Facility while also extending the project time frame until June 2025. The DD Facility enables cooperation projects with EU member states, development partners, the private sector and civil society to implement targeted measures in production countries that support businesses to fulfil their due diligence obligations.

Each measure can be jointly designed, implemented, and financed and is ultimately geared to reduce human rights and environmental risks in the supply chain for the benefit of workers and the local environment. IGS explicitly invites EU Member States, international actors and initiatives to get in contact with IGS for cooperation within the DD

Facility to ensure respect for human and environmental rights in global supply chains.

One exemplary activity which will be leveraged by the DD Facility, is the establishment of an effective cross-company grievance mechanism (UBM) in Mexico to strengthen access to remedy for rightsholders along the automotive supply chain. The mechanism was developed in a joint effort by the participants of the NAP Sector Dialogue including major brands from the automotive industry, associations, unions and civil society. The aim of the mechanism is to close human rights protection and accountability gaps, identify systemic problems and challenges, and to improve corporate risk management in the automotive sector in Mexico.

Our substantial network allows us to build on existing and set-up new partnerships, scale approaches and learn from each other.



INTERESTED IN JOINT ACTION?

Please Contact:
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The RBH Network

Building a network of support on Human Rights and Environmental Due Diligence in partner countries

The RBH are a gateway for local businesses that want to step up their sustainability performance and comply with provisions deriving from due diligence legislation.

Set up by IGS, the Responsible Business Hubs (RBH) function as local helpdesks in key economic and development partner countries of Germany that offer tailor-made information, awareness raising and advisory services around human rights and environmental due diligence (HREDD) to producers.

The RBH are part of a cross-country and cross-sector network constituting a franchise model for scaling the RBH to other partner countries. The first two RBH were recently launched in Vietnam and Cambodia (see next page), while in Bangladesh and Serbia they will be launched soon. The IGS is currently also exploring the expansion of the RBH Network to countries like Türkiye, Mexico, Tunisia and India.

The RBH Network collaborates closely with local associations and chambers that function as hosts of the helpdesks. It is also well embedded in the established company support structure like the AHK/DIHK or the Business Scouts for Development.

The German Helpdesk on Business and Human Rights is a particularly important partner to build on its experience and broaden the network of the German Helpdesk to qualified organisations in producing countries. Furthermore, an alignment with the upcoming EU Helpdesk on Due Diligence is foreseen. IGS invites further partners to join hands and support additional local business organisations to build their capacities and to become frontrunners in preparing local industries to get ready for the new dynamics in Responsible Business Conduct.

Together with respective hosts of the RBH from Bangladesh, Vietnam and Cambodia, IGS organised a side session at the OECD Forum on Due Diligence in the Garment and Footwear Sector, which took place on 14th February 2023. The session highlighted the needs and benefits of Responsible Business Hubs for manufacturers and country specific insights on fulfilling due diligence requirements in the textile and garment supply chain in Asia were shared.

WHAT WE WANT TO ACHIEVE

250

Companies take advantage of the RBH services.

Local helpdesks

The IGS is setting up local helpdesks (Responsible Business Hubs) that inform, raise awareness and advise producing companies on HREDD standards and requirements, and network them with local service providers. At least 250 companies are to make use of the service.



22 November 2022

Launch of the first Responsible Business Hub in Cambodia

IGS and the European Chamber of Commerce in Cambodia (EuroCham) hosted the official launch of the Responsible Business Hub (RBH) in collaboration with the Textile, Apparel, Footwear and Travel Goods Association in Cambodia (TAFTAC).



Impression from the launch of the GFT Sector Brief in Cambodia

Around 80 participants, mainly development partners, brands, manufacturers, and civil society, joined the event in Phnom Penh. The event was kicked-off by inputs from the German embassy, the Cambodian Ministry of Economy and Finance and the EU Delegation in Cambodia. They emphasised the development and importance of due diligence legislation and how this is linked to the future of Cambodian industrial sectors. The event served as an introduction to the Responsible Business Hub in

Cambodia presenting the vision, mission, and planned service offerings of the RBH.

As one of its first activities, the Responsible Business Hub hosted the official launch of the Cambodia Garment, Footwear and Travel Goods (GFT) Sector Brief on the 12th of December 2022, which was completed thanks to the work of IGS, EuroCham, the International Labour Organization (ILO) and TAFTAC. In the last two years, finding comprehensive and reliable data related to the economic development of the GFT sector in Cambodia has been challenging, as data was scattered amongst various sources. The Sector Brief provides an overview on the latest publicly available and official statistics on the GFT sector. The event was attended by around 100 participants.

rbh-eurochamcambodia.com



14 November 2022

Launch of the second RBH in Vietnam

The Responsible Business Hub was launched during a roundtable event, attracting about **80 participants from public and private sectors, international organisations, NGOs and the media.**

The roundtable event “Moving from compliance to due diligence: Preparing Vietnamese business to get ready to participate in sustainable supply chains” was organised by IGS in close collaboration with the Viet Nam Industry Agency (VIA) under the Ministry of Industry and Trade (MOIT) and the Viet Nam Confederation for Commerce and Industry (VCCI). The RBH Vietnam, which was introduced during the event, will be hosted at VCCI and will support businesses in Viet Nam in improving their sustainability performance. After the event, some companies from the textile/garment and electronics sectors already expressed their willingness to cooperate and requested support on due diligence implementation from IGS/RBH.

Activities in Focus Countries

21 November 2022

Due Diligence Talks in Dhaka

GIZ Bangladesh and the EU Delegation to Bangladesh hosted a Due Diligence Talk on ‘Mandatory Human Rights and Environmental Due Diligence regulations and their implications for Bangladesh’ at the Renaissance Hotel.

The Due Diligence Talks in Dhaka are part of the extensive awareness raising efforts of the IGS in partner countries in light of new due diligence regulations. The support for companies will further evolve as soon as the RBH Bangladesh is launched with BGMEA and BKMEA as the host organisations for the support services.

Opening remarks were delivered by Ms. Caren Blume, Head of Cooperation, German Embassy, and Dr. Bernd Spanier, Deputy Head of EU Delegation to Bangladesh. Ms. Caren Blume underlined the urgency of the event regarding the new German Supply Chain Act, while Dr. Spanier emphasized the benefits for Bangladesh of the new due diligence obligations as way to fulfil GSP+ requirements. The event was well attended by representatives of brands, producer associations, worker representatives, business chambers as well as NGOs and international development organisations.

■ ■ *I perceive the German supply chain act as an opportunity. I want to promote to consumers worldwide that clothing made in Bangladesh is not only of good quality. We also want to be on top for sustainably and ethically made products.*

Mr. Sheikh H M Mustafiz, Chairman, Standing Committee on sustainability, BGMEA



Study on existing complaints structures for workers in the export-oriented textile and garment sector in Bangladesh

A well-functioning complaints mechanism provides a transparent, credible, and fair process to all parties. IGS envisions to build capacities for implementing effective complaints and remedy mechanisms that match international standards. As a first step, IGS conducted a study on existing complaints structure for workers in the export-oriented textile and garment sector in Bangladesh. The study includes topics like legal analysis of national requirements, mapping of existing complaint mechanisms, analysis of different complaint mechanisms and good practices. The study provides recommendations on how to strengthen complaints mechanisms in Bangladesh. To read the full study, please find the link below.

www.asiagarmenthub.net



Impressions from the on-site training sessions



Climate Action Training with Energy Efficiency focus for Fashion Manufacturers (CAT-EE)

The CAT-EE supports 44 textile and garment factories on how to develop an Action Plan for GHG-reduction based on Energy Efficiency solutions.

The trainings follow a step-by-step approach: At first, factories participating in the initial online consulting period on GHG-emissions and energy efficiency provide a qualified GHG accounting report. These reports will then be evaluated by Senior Energy Efficiency Experts (SEEE), which give recommendations and support to set up individual Action Plans per factory. As a final step, there will be on-site energy audits with selected facilities.

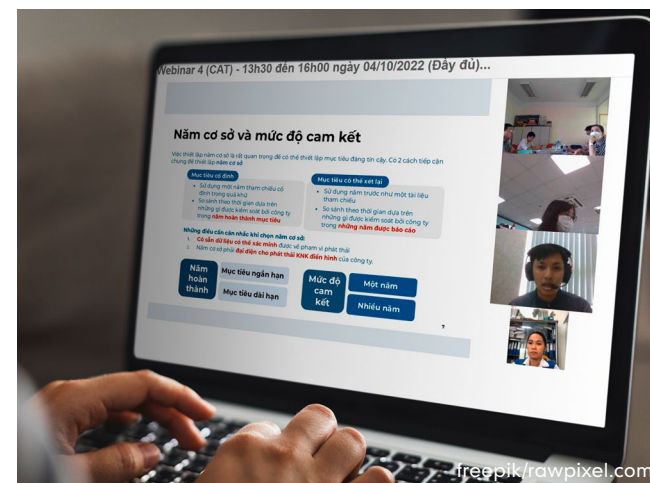
44 factories have registered to join the online consulting phase and 34 have already submitted their first draft of GHG accounting report to the SEEE. Energy-efficiency is one of the core levers to reduce GHG-emissions in Vietnamese textile facilities.

Manual on anti-sexual harassment at factory level

As part of the pilot, 72 participants from 22 companies took part in training sessions on sexual harassment at the workplace.

The sessions included a general training on sexual harassment (SH) at the workplace, advisory services to suppliers in reviewing and improving internal policy and regulations, as well as setting up and strengthening the factory internal system to address SH at work.

Regarding the latter, the participants received training on setting up risk assessment processes and procedures to identify and address SH cases at work. The manual is expected to be endorsed by the Vietnamese Ministry of Labour, Invalids and Social Affairs (MOLISA) in Q1/2023 for rolling out to several business sectors. Dissemination of the manual to electronic companies is planned for 2023. Gender-based violence remains one of the major social challenges in Vietnamese production facilities.



Impression from a training session on sexual harassment at the workplace



Deutsch-Serbische
Wirtschaftskammer
Nemačko-srpska
privredna komora



CHAMBER OF
COMMERCE AND
INDUSTRY OF SERBIA

Awareness raising on due diligence in collaboration with Chambers of Commerce

The Chamber of Commerce and Industry (CCI) of Serbia, the German Chambers of Commerce Abroad (AHK) representation in Serbia and the IGS join forces by concluding a Memorandum of Understanding and raising awareness on due diligence as a first joint activity.

The three parties agree to advance the implementation of human rights and environmental due diligence jointly. As a first joint activity, a webinar on the implications of the German Supply Chain Act was held on December 8. Around 30 companies followed the update on expected implications of the new law on the Serbian private sector and a first outlook on the Responsible Business Hub which will be established at the CCI Serbia in the first quarter of 2023. The RBH will serve as a first entry point and advisory structure for companies who are interested to learn more about the requirements of the GSCA.

On December 13, the three cooperation partners AHK, CCI Serbia and GIZ hold a press conference with media representatives at the Chambers' premises to inform the public about the upcoming law. Mr. Mihailo Vesovic, Director of division for strategic analyses, services and internationalization at the hosting organisation CCIS, stressed the importance of Serbian companies being better prepared to adapt and implement in its business the standards that are applied in Germany and the EU. AHK representative Christiane Voith, Business Scout at the AHK Serbia office, presented the main corner stones of the new law and their expected implications for Serbian suppliers to Germany. Johanna Wohlmeyer, IGS coordinator in Serbia, gave first insights into the structure and services of the Responsible Business Hub.

www.serbien.ahk.de

www.en.pks.rs



International
Labour
Organization

Cooperation with the International Labour Organization (ILO) on Grievance Mechanisms

The cooperation was formalised in December 2022 to ensure adequate access to grievance mechanisms for workers in the automotive, electronics and textile industry in Serbia.

The main objectives of the project will be the strengthening of institutional capacities of the Agency for Peaceful Settlement of Labour Disputes for the handling of grievance mechanisms and capacity-building of compliance officers in the automotive, electrical and textile industry. With the use of different ILO diagnostic tools, the project aims at more consistent provision and access to amicable settlement mechanisms for the workers in target industries throughout Serbia.

The ILO has a longstanding global experience and know-how in amicable settlement of labour disputes. With the support of IGS, ILO will roll out the project in 2023 and pursue the following activities:

- Conduct a study of the formal and informal complaints mechanisms available in Serbia
- Adapt the ILO Manual for grievance mechanisms to the Serbian context and pilot the corresponding self-assessment tool
- Train mediators and arbiters of the Agency for Amicable Settlement of Labour Disputes
- Run information campaigns on grievance mechanisms and discrimination vs. labour rights
- Train compliance officers on in-factory grievance mechanisms

Engagement in the electronics sector



Thorsten Metz, IGS project lead, at the RBA Annual Conference in Santa Clara, California, in November 2022

Cooperation on due diligence

IGS and the Responsible Business Alliance (RBA) Initiatives join hands to support electronic companies in the collaborative implementation of due diligence along global supply chains.

RBA and IGS recognize the great potential to joining forces and leveraging synergies for the benefit of workers and greater sustainability and resilience of electronics supply chains. For that reason, the two parties have concluded a Memorandum of Understanding at the end of October 2022. Key element of the cooperation is the exploration of joint activities, which may include the following areas:

- Capacity building for production companies for improved due diligence in topics like climate action and greenhouse gas emission reduction, data collection for reporting or forced labour
- Promoting more effective and harmonized grievance mechanisms in-line with the RBA Workers Voice App.
- Promoting the topic of responsible purchasing practises in the electronics sector

Additionally, both initiatives benefit from its respective networks in the electronics industry and in relevant production countries like Vietnam as well as from mutual knowledge sharing on due diligence developments.

8 November 2022

Workshop with the German electronics industry in Berlin

IGS hosted a workshop to discuss collaboration projects with the electronics sector based on a sector analysis conducted by Sustain Consulting.

IGS commissioned an analysis of the electronics sector, a key intervention area of IGS. The analysis focuses on social and environmental risks in electronics supply chains. In the workshop, the preliminary findings were first presented by IGS-partner Sustain Consulting and consulted with a group of German electronics companies. Based on that, working group sessions on three of the major high-risk topics took place, namely reduction of greenhouse gas emission, ensuring living wages and reduction of worker's exposure to hazardous chemicals.

 **The final report by IGS and Sustain Consulting will be published this spring.**



Impression from the workshop

HREDD in Practice

ACT Initiative starts piloting their Complaints and Dispute Resolution Mechanism

Co-developing a dispute resolution mechanism on workers' rights and piloting a complaints mechanism on responsible purchasing practices, ACT aims to enable global companies to effectively deliver on their responsibilities under the third pillar of the UN Guiding Principles on Business and Human Rights: Access to remedy.

The Pilot of the ACT Complaints Mechanism is funded by IGS and is a first of its kind in the industry, aiming to directly provide manufacturers and employers' associations from Bangladesh, Cambodia and Türkiye a mechanism through which to submit complaints on fair payment terms and responsible exit and hold ACT member brands accountable for these commitments.

After the test phase, an international independent expert will assess the functionality and scalability of the pilot including feedback from suppliers, employers, associations and other stakeholders such as the Sustainable Terms of Trade Initiative (STTI).

ACT

www.actonlivingwages.com

Collaboration with Fashion Industry Charter

IGS and signatory brands to the Fashion Industry Charter for Climate Action have joined forces to develop a scalable project development process for the substitution of coal fired boilers with more sustainable alternatives for heat and steam generation in factories, starting with a pilot in Viet Nam.

Within a model of shared responsibility, several brands from the sports and fashion industry will support facilities in Viet Nam to switch from coal-fired boilers to more sustainable heat generation, e.g. by commissioning service providers for measurements and software simulations.

The project will be implemented with additional technical expertise from the GIZ "Project Development Cluster (PDC)" and is open for member brands of other initiatives, such as the Partnership for Sustainable Textiles.

[About the Fashion Industry Charter for Climate Action](#)

14 March 2023

Webinar series on enabling remedy through back-up grievance mechanisms

IGS and the Social and Economic Council of the Netherlands (SER) are offering four webinars on how to successfully enable remedy through back-up grievance mechanisms.

The first webinar will focus on how effective remediation in supply chains can look like, how companies can most efficiently prepare to comply with growing legislative and societal expectations and, at the same time, ensure that voices of rightsholders on the ground are effectively heard and taken into account.

The webinars are open for companies from all sectors regardless of their size and for anyone who wants to know more about how to successfully enable remedy through grievance mechanisms.

More information on the webinar and registration:

www.accesstoremedy-webinar.evenement.ser.nl



FLA and ERC staff meet with representatives from Vietnam's Ministry of Labor, the VGCL, GIZ, IDH, and others to talk about their work on living wages and the pilot project

Fair Labour Association on-boarded first factory within their pilot program on testing living wages

Through multi-buyer, supplier, and worker collaboration, the project is testing solutions to develop a more equitable wage level system in factories in Vietnam.

The first pilot factory in Vietnam was on-boarded in October 2022, the next one will follow in March. Activities include: wage data collection, worker interviews, focus group interview with managers and supervisors on living wage, and action plan development. IGS is funding the project because “wages can be an indicator of human rights and environmental risks that slice across the supply chain”, as it was stated by Felicia Hoer, Technical Advisor of IGS, in an article on the project by the Sourcing Journal.

www.sourcingjournal.com

Our Objectives

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

500,000

Workers are exposed to fewer risks in the workplace.



Mitigate risks

The IGS supports buying companies and their suppliers in the supply chain to preventively address, mitigate and remedy human rights and environmental risks. The aim is for companies with a total of at least 500,000 employees to take measures to better protect their workforce and the environment

150

Companies integrate sustainability indicators in their data management



Data Management

The IGS supports manufacturing companies with trainings to better collect, manage and process sustainability data for their customers. The goal is for at least 150 manufacturing companies from two sectors to collect data suitable for sustainability reporting.

250

Companies take advantage of the RBH services.



Local helpdesks

The IGS is setting up local helpdesks (Responsible Business Hubs) that inform, raise awareness and advise producing companies on Human Rights and Environmental Due Diligence standards and requirements, and network them with local service providers. At least 250 companies are to make use of the service.

500,000

Workers get access to complaints mechanisms



Complaints and remedy

The IGS is working together with companies, industry initiatives and civil society organisations to establish, develop and harmonise complaints mechanisms. 500,000 workers will be given access to more effective complaints mechanisms, 300,000 of them women (60%).

1,000

Compliance officers have completed training on complaints mechanisms



Training on complaints mechanisms

The IGS promotes the establishment and strengthening of internal factory complaints mechanisms that meet international standards and explicitly address gender-based violence and discrimination. Through targeted training and support, at least 1,000 compliance officers will be trained and empowered to establish effective internal structures.

Outlook

February

- **February 16–17:** Attendance at *OECD Forum on Due Diligence in the Garment and Footwear Sector* in Paris
- **Business trip UBM Mexico:** A German delegation from the NAP Automotive Branche Dialogue committed to implementing an industry-wide grievance mechanism pilot for OEM suppliers in Mexico travel to Mexico to meet with local stakeholders and kick-off discussions on the implementation of a grievance channel

March

- Completion of Study on Big Data Technologies for Due Diligence
- **March 14:** 1st of 4 Sessions of the 'Access to Remedy' Webinar Series in collaboration with the Social and Economic Council of the Netherlands (SER) Click [here](#) to register
- **Kick-off of activities in Taiwan** of our implementation partner Electronics Watch on strengthening their local monitoring partner towards providing access to remedy in the electronics sector
- Responsible Business Hubs Viet Nam and Cambodia: **Kick-off HREDD trainings** with RBH staff, training of trainers, trade unions and employers
- Development of Energy Efficiency Trainings with Switch, linked to RBH services in Cambodia
- **March 21:** First Business Round Table on HREDD in Serbia as cooperation between OSCE, AHK, RBH Serbia

April

- Launch of updated and improved member portal of the Textile, Apparel, Footwear & Travel Goods Association in Cambodia (TAFTAC) to support the availability of relevant industry data
- **April 25–26:** Attendance at *Sustainable Apparel and Textiles Conference in Amsterdam*
- Launch of the Responsible Business Hub in Serbia

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