

# IGS INITIATIVE FOR GLOBAL SOLIDARITY



## Sustainability Forward

News from the Initiative for Global Solidarity

# October 2022



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](http://www.giz.de/en/worldwide/104594.html)

# Data & Transparency

## LAUNCH OF THE OPEN SUPPLY HUB

IGS supported the development of “[Open Supply Hub \(OS Hub\)](#)”, an accessible, collaborative, supply chain mapping platform, used and populated by stakeholders across sectors and supply chains. OS Hub was officially launched on November 2, 2022. It will be the world’s largest open map of production facilities, creating one common registry for reliable supply chain data, thereby increasing transparency and fostering global collaboration.

By opening up global supply chain data for the first time at this scale, Open Supply Hub allows organizations to showcase their commitment to supply chain transparency and find other organizations connected to the same facilities. Not only does this improve insights about facilities globally, but it also encourages sector-wide collaboration, allowing everyone to more efficiently tackle the biggest social and environ-

mental challenges of our time. The platform will span a range of sectors, including sporting goods, beauty, consumer packaged goods, apparel and electronics. The Open Supply Hub platform is an extension of the Open Apparel Registry, which initially launched for the apparel sector in 2019. IGS supported the expansion into additional sectors.

Register [here](#) to join the inaugural live demo of Open Supply Hub on November 16, 3pm CET.



|| The German Federal Government is dedicated to improving social and environmental conditions in global supply chains. Alongside the German Due Diligence supply chain act, our Ministry supports buying and supplying companies in meeting international standards and requirements. Supply chain transparency is a key prerequisite for companies to effectively address human rights and environmental risks in their supply chains. For this reason we are happy to support Open Supply Hub through the Initiative for Global Solidarity implemented by GIZ, thereby enhancing transparency and, ultimately, contributing to improved working conditions and environmental protection in global supply chains.

**Reinhard Junker**, Division for Sustainable Transformation of Global Supply Chains at the German Federal Ministry for Economic Cooperation and Development (BMZ)

## Kick-off of collaboration to develop open data standards for social and environmental indicators

IGS supports a consortium of the Sustainable Apparel Coalition (SAC), Zero Discharge of Hazardous Chemicals (ZDHC) and the Apparel Impact Institute (Aii) to develop a converged assessment framework for environmental performance (in the textile sector, see [SAC press release](#)). The required stakeholder mapping and identification of relevant industry initiatives for scaling have already been completed.

IGS further collaborates with the Social Labor and Convergence Program (SLCP) on promoting their converged assessment framework for social performance and piloting it in the electronics sector. Standard organisations and initiatives for the recognition process have been identified and an analysis of relevant stakeholders for piloting has already been carried out. Conversations with different initiatives, like [Fair Wear Foundation](#) and [Amfori](#), on alignment have commenced.



### Collaboration with Mapped in Bangladesh

IGS is working together with BRAC University for the second phase of their project “[Mapped in Bangladesh](#)” (MiB) to improve the conditions for comparable and transparent data collection in the Ready-Made-Garment (RMG) industry in Bangladesh.

The objective of Mapped in Bangladesh (MiB) is to provide accurate, credible and updated information on RMG factories to all industry stakeholders in a manner that enables greater efficiency, productivity, accountability and transparency. In its first phase MiB mapped 3861 factories and created an interactive online map to disclose this information. With the support of IGS, MiB will grow its database by adding additional data points and increasing the number of factories.



## 202030 – The Berlin Fashion Summit

At the [202030 – The Berlin Fashion Summit](#) (September 7, 2022), Franzisca Markschläger, technical advisor at IGS, introduced IGS and its work on data and transparency for social good and discussed the need for reliable and quality data for the implementation of due diligence with representatives from IGS partners, like Fair Wear Foundation and Open Apparel Registry.

# Activities in Focus Countries

20 June 2022

## Round table on due diligence with service providers

IGS in Bangladesh organised a roundtable bringing together 28 participants from 20 local service providers to assess the way forward to improve due diligence in the RMG supply chain. The service providers are private consultancy firms that are hired by factories, buyers, brands or donors to implement trainings, upgrade factory systems or accredit and certify standards in the industry. These firms can act as multipliers in capacity building for increased compliance and grievance elements both towards producers and brands.

The event covered four thematic areas:

1. Social issues
2. Environmental issues
3. Grievance handling and social dialogue
4. Sustainability reporting



Nearly 30 people took part in the roundtable in Dhaka

26 September 2022

## Digital data disclosure platform and Sustainability Data Index

IGS and BGMEA co-hosted a consultation workshop.

In the workshop, BGMEA introduced the concept of a digital platform and Sustainability Data Index to track the industry's performance on Environmental, Social and Governance (ESG) factors.

Mr. Miran Ali, Vice President, Bangladesh Garment Manufacturers and Exporters Association (BGMEA) highlighted that BGMEA envisioned to establish a digital data platform to collect data from member factories on ESG indicators.

Md. Monirul Islam, Joint Secretary, Sustainable Development Goals (SDG) Affairs, Prime Minister's Office, underlined the urgency of collecting data from private sector to contribute governments' SDG tracker for attaining SDGs by 2030. BGMEA's Sustainability report set an example for other industries to follow, observed Md. Islam.

The workshop served as a platform for participants to actively discuss and provide feedback on BGMEA's proposed data platform. Distinguished participants from prime minister's office, business associations, brands, trading house, development organisations, academia, and service providers joined the workshop and provided their feedback and suggestions. The data platform will be jointly developed and implemented between BGMEA and IGS as part of the Due Diligence Unit in Bangladesh, which will be part of the Responsible Business Hub Network.



23 August 2022

## Collaboration with Fair Wear Foundation

**The GIZ projects Sustainability in the Textile and Leather Sector and IGS launched their cooperation with Fair Wear Foundation.**

Multiple stakeholders will engage over the next 18 months to consolidate Anti-(Sexual) Harassment Committees in up to 60 RMG factories in Bangladesh. The experience from Fair Wear Foundation, the close cooperation with ILO's Better Work Programme, as well as the implementation through Awaj Foundation, Karmojibi Nari, Phulki and the Bangladesh National Women's Lawyer Foundation provide the setup for a successful continuation of ongoing efforts to provide robust remedies and access to information and skills for victims to address their grievances.

The sustainability of support services from the NGOs to producers is one key feature of the intervention – as well as advocacy work to allow for the implementation of the High-Court verdict to establish Anti-Harassment Committees by formalising this obligation in the Bangladeshi Labour laws.



24 August 2022

## Workshop on due diligence unit

**Joint workshop with textile industry associations to define scopes for collaboration.**

The unit is meant to support the ready-made garment (RMG) sector in applying data formats to be able to inform reporting systems or react to risk analysis as prescribed by international due diligence regulations. It was mentioned that the different due diligence legislations are not directly addressing producers in Bangladesh. However, brands will need to provide more information from their value chain.

Mr. Miran Ali, Vice President, Bangladesh Garment Manufacturers and Exporters Association (BGMEA), underlined the urgency of the workshop. In coming years, the German supply chain due diligence act is possibly going to be one of the determinant factors for the sourcing landscape in the garment and textile industry of Bangladesh, observed Mr Ali.

The workshop served as a platform for participants from BGMEA and the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) to actively discuss and provide feedback to IGS on the design of the soon-to-be established due diligence unit. The present actors, BGMEA, BKMEA and IGS, jointly commit to working together for increased due diligence with a view to serve the garment and textile industry of Bangladesh.

IGS will support BGMEA and BKMEA in capacity building on due diligence for their members and the set up of the dedicated unit.



20. July 2022

## High-level event at the German Embassy on the German Supply Chain Act

Around 50 participants followed the invitation of the IGS team in Vietnam, the German Embassy and the ILO to an high-level event in Hanoi.

The event provided information on the German Supply Chain Due Diligence Act and its impact on Vietnamese companies and attracted great interest from different stakeholders. Key partners, including MOIT, VCCI, and brands participated as panelists. To support the implementation of due diligence requirements in Vietnam, a helpdesk will be set up in the coming months with the help of IGS. The local business community and associations, as well as other stakeholders are looking forward to the establishment of the helpdesk, which is expected to be a reliable resource for relevant stakeholders to get advice on issues related to responsible business conduct.

German Ambassador to Vietnam Dr. Guido Hildner: *“The Supply Chain Due Diligence Act also gives Vietnam the chance to gain a locational advantage on the world markets. Strong environmental and labor laws and even more effective enforcement can thus become a locational advantage for Vietnam, no longer just low production costs. This also improves the situation for workers and the environment in Vietnam.”*

26. August 2022

## Information sharing on the German Supply Chain Act for Vinatex and its member companies

Saskia Anders, Team Lead of the IGS Project in Vietnam, has made a presentation to Vietnam National Textile and Garment Group (Vinatex) on the German Supply Chain Act.

Vinatex is the largest local textile and garment corporation in Vietnam that has 45 member companies and generates jobs for about 80,000 employees. This year, Vinatex’s exports reached 3 billion USD, accounting for about 10 % of the country’s total export value.

Germany is a key export market of Vinatex, thus, acknowledging the impacts of the Act on local textile and garment producers, Vinatex leaders invited IGS to join their August’s monthly internal meeting to share information on the Act and highlight some implications for their members to be ready for the next year when the Act comes into effect.



16 March 2022

## Awareness raising event on due diligence

IGS collaborated with the GIZ Business Scouts for Development in Cambodia and EuroCham Cambodia to organise an online awareness raising event

The two objectives were:

- to provide theoretical input on Human-Rights and Environmental Due Diligence (HREDD), upcoming legislative changes and their potential impact and
- to present the findings of a needs assessment study conducted by EuroCham Cambodia to get a better understanding of the familiarity with and needs of the Cambodian textile and garment sector with regards to upcoming legislations on HREDD.

67 participants, mainly private sector actors from the Cambodian textile and garment industry but also brands, partners and NGOs, participated. Besides expert contributions, the event also included a short interactive section where participants were asked about the services they would require from the Responsible Business Hub (RBH).



1 June 2022

## Roundtable discussion on due diligence

IGS, EuroCham Cambodia and the GIZ Business Scouts for Development in Cambodia organised a closed-door roundtable discussion with international experts and local stakeholders.

They discussed the implication of the yet-to-be implemented legislations in Germany and Europe on Human Rights and Environmental Due Diligence (HREDD).

The purpose of the event was to inform local stakeholders, including brand ambassadors and relevant associations such as the Garment Manufacturers Association of Cambodia (GMAC), of the implications of HREDD regulations. Another objective was to solicit feedback for the Responsible Business Hub (RBH).

During the event, international experts discussed the implications of new HREDD regulations. The German Helpdesk for Business and Human Rights presented their work as best practice example. Brands shared their perspective on the upcoming legislative changes and implications. All participants openly discussed the presented topics as well as their suggestions for the RBH.



# HREDD in Practice

## Pilot Project in Vietnam with the Fair Labor Association

**Compensation is one of the most important things that both employers and employees care about.**

Nevertheless, providing high income to workers is not solely at the supplier's discretion, since payment of wages is based on payment from buyers. While buyers hold the majority of the purchasing leverage, multiple buyers in a factory may feel they do not have enough business leverage to support progress towards living wages.

Through multi-buyer, supplier, and worker collaboration, this project will test solutions to develop a more equitable wage level system in Vietnam, based on skillsets, performance, and other appropriate incentives for workers. The project started in summer 2022 with two webinars for interested brands from Fair Labor Association (FLA) and the Partnership for Sustainable Textiles, as well as for civil society organisations. IGS is funding this project.

More on FLAs work on living wages:

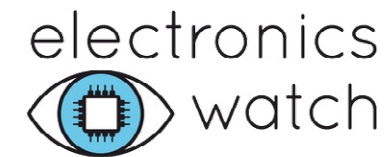
[fairlabor.org](https://fairlabor.org)

## Complaints mechanisms

**Collaboration between IGS and Electronics Watch has been kicked off**

After the beginning of the partnership in mid-September, Electronics Watch has reported on its [website](#). The goal of this collaboration is to support the upscaling of the Electronics Watch grievance mechanism by expanding the capacities of their monitoring partners in Malaysia and Vietnam.

Moreover, the collaboration places a focus on industry engagement towards the flexibilisation of remedy. Through this grant agreement approx. 180,000 workers should be reached and provided access to a grievance mechanism and eventually to subsequent remedy in the electronics sector.



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## Common Framework for Responsible Purchasing Practices

The Common Framework for Responsible Purchasing Practices is a reference point for companies working to improve their purchasing practices and for multi-stakeholder initiatives supporting their member companies in implementing practical improvements in purchasing, to increase the scope for improved working conditions in supply chains.

The CFRPP has been developed by the MSI Working Group on Purchasing Practices, which includes representatives from the Ethical Trading Initiative, Ethical Trade Norway and Denmark, Fair Wear, the German Partnership for Sustainable Textiles (PST) and the Dutch Agreement for Sustainable Garments (AGT). The Working Group consulted with ACT (Action Collaboration Transformation), Better Buying Institute, Better Work and amfori. For two years, starting in Fall 2022, a group of companies committed to improving purchasing practices will build a peer-learning community to practically implement changes. This “Learning and Implementation Community” is funded by the IGS and the Sustainable Textile Initiative: Together for Change (STITCH).



## Building foundations

IGS is collaborating with the OECD to strengthen the foundation for human rights and environmental due diligence.

The project aims to scale the OECD’s work on a common and aligned due diligence framework across sectors. Specific objectives include:

- strengthening the role of multi-stakeholder and industry initiatives as multipliers of due diligence aligned with OECD guidance. These initiatives can improve the quality, effectiveness, and impact of company due diligence efforts,
- building relationships with strategic partners such as standards setting organisations, supporting government recognition of initiatives within a smart-policy mix for responsible business conduct and
- building the capacity of governments to align their own policies and tools with OECD due diligence guidance.

OECD hosted a session on “*Considering the potential role of sectoral initiatives in mandatory due diligence*” at the annual Garment Forum (February 24) and a Virtual Policymaker Roundtable on “Regulatory Developments concerning Due Diligence for Responsible Business Conduct: Reflecting a Risk-based approach” on June 23. OECD published a *Note for Policy Makers on the Role of Sustainability Initiatives in mandatory Due Diligence*.

# Our Objectives

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

## 250.000

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 or mitigate human rights and environmental risks. The aim is for companies with a total of at least 250,000 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 have a digital data management system suitable for sustainability reporting.

## 150

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 150 companies are to make use of the service.

## 125.000

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 internal and external complaints mechanisms. 125,000 workers are to be given access to effective complaints mechanisms, 75,000 of them women.

## 250

Companies have employees trained 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, compliance officers from at least 250 manufacturing companies in particular are to be trained and empowered to establish effective internal structures.

# Outlook

## October

- Commence of a study on Big Data Technologies for Due Diligence
- Start of the cooperation with Grant Agreement with *Mapped in Bangladesh* Sept/Oct 2022
- Commence of the Sustainable Wood study to identify sustainable wood sources and to potentially develop a shared responsibility around it
- **October 13:** First Meeting of the Learning and Implementation Community of the Common Framework for Responsible Purchasing Practices, next meeting beginning of December and then every 2–3 months
- **October 19:** IGS participation as a speaker in the Multi-stakeholders Forum (MSF) on supply chain and due diligence in electronic sector in Hanoi
- **End of October:** Presentation of results of the situational analysis of existing grievance mechanisms in Cambodia

## November

- **November 1 and 2:** IGS participation at *SAC annual members' meeting* in Singapore
- **November 2:** Official Launch of the Open Supply Hub
- **November 8:** Berlin: *Sustainability in Electronics Supply Chain*. Collaborative Approaches to Implement Due Diligence
- **November 9:** Prague: Planned participation (pitch) at BME CEE Procurement and Supply Forum (Bundesverband Materialwirtschaft, Einkauf und Logistik e.V., BME, CEE = Central and Eastern Europe)
- **November 28:** Launch event of the Responsible Business Hub in Cambodia hosted by EuroCham Cambodia
- Launch of Garment Footwear and Textile Sector Brief (end of November)

## December

- Establishment of the Vietnam Responsible Business Helpdesk hosted by the VCCI in Hanoi
- Finalisation of OECD Alignment Assessment Tool for MSIs and Standards

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