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right**

WEBINAR | October 26, 2023 | 09:30 (CET)

**Certifications, social audits
and supplier management tools:
What is their role in human rights due diligence?**

The Ten Principles of the UN Global Compact

Corporate sustainability starts with a company's value system. By incorporating the Ten Principles into strategies, policies and procedures, and establishing a culture of integrity, companies are not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term success.

Companies operate responsibly



HUMAN RIGHTS

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.



LABOUR

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labour;
5. the effective abolition of child labour; and
6. the elimination of discrimination in respect of employment and occupation.



ENVIRONMENT

7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.



ANTI-CORRUPTION

10. Businesses should work against corruption in all its forms, including extortion and bribery.

Companies contribute to progress

SUSTAINABLE DEVELOPMENT GOALS



Let's make Global Goals Local Business

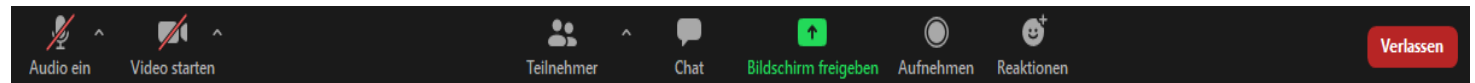


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Webinar: Housekeeping

- The session is recorded.
- Slides & recording will be made available by the UN Global Compact Network Switzerland & Liechtenstein after the webinar.
- Please write your questions in the chat.

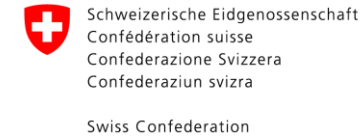
*Activate the video before
you make an intervention.*



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*Make sure you are muted during the
webinar. Unmute yourself if you wish
to speak.*

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*Use the chat function to
type in your questions or
make a comment.*

Agenda



- Welcome address by [Amina Neves, SECO](#)
- Sustainability schemes: contributions and limitations in the implementation of HRDD
[Matthias Leisinger and Regula Meng, focusright](#)
- Q&A part 1
- Applying sustainability schemes to support HRDD along the value chain: Practical approaches and examples
 - Production of raw materials: Certification & projects at the stage of agricultural production
[Simone Hutter, Fairtrade Max Havelaar Switzerland](#)
 - Final production of the product: Social audits & continuous improvement at the stage of T1+ suppliers
[Laura Wauters, amfori](#)
 - Own operations: Embedding human rights aspects in own purchasing practices
[Thilo Liedlbauer, Partnership for Sustainable Textiles](#)
- Q&A part 2





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Federal Department of Economic Affairs,
Education and Research EAER
State Secretariat for Economic Affairs SECO
International Labour Affairs

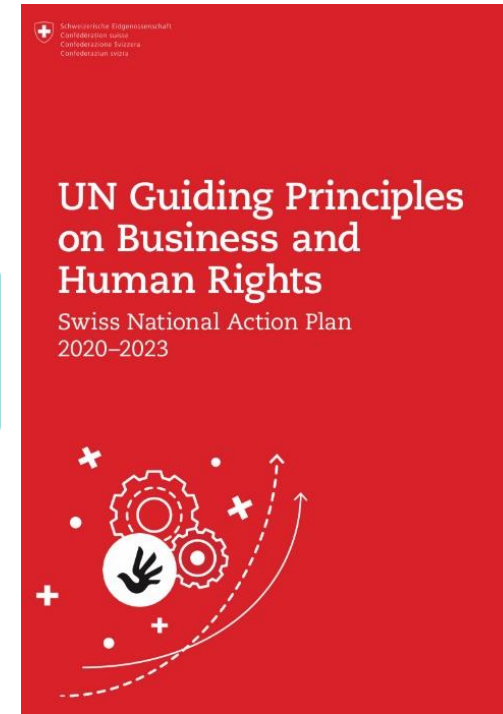
National action plan on business and human rights

26 October 2023

Amina Neves, State Secretariat for economic affairs



Swiss National Action Plan "Business and Human Rights" (NAP)





Legislative developments



New provisions in Switzerland from 1 January 2022

duty to report on human rights and environmental protection

mandatory due diligence regarding minerals from conflict zones and child labour

European Commission

New reporting duty on CSR since 2022

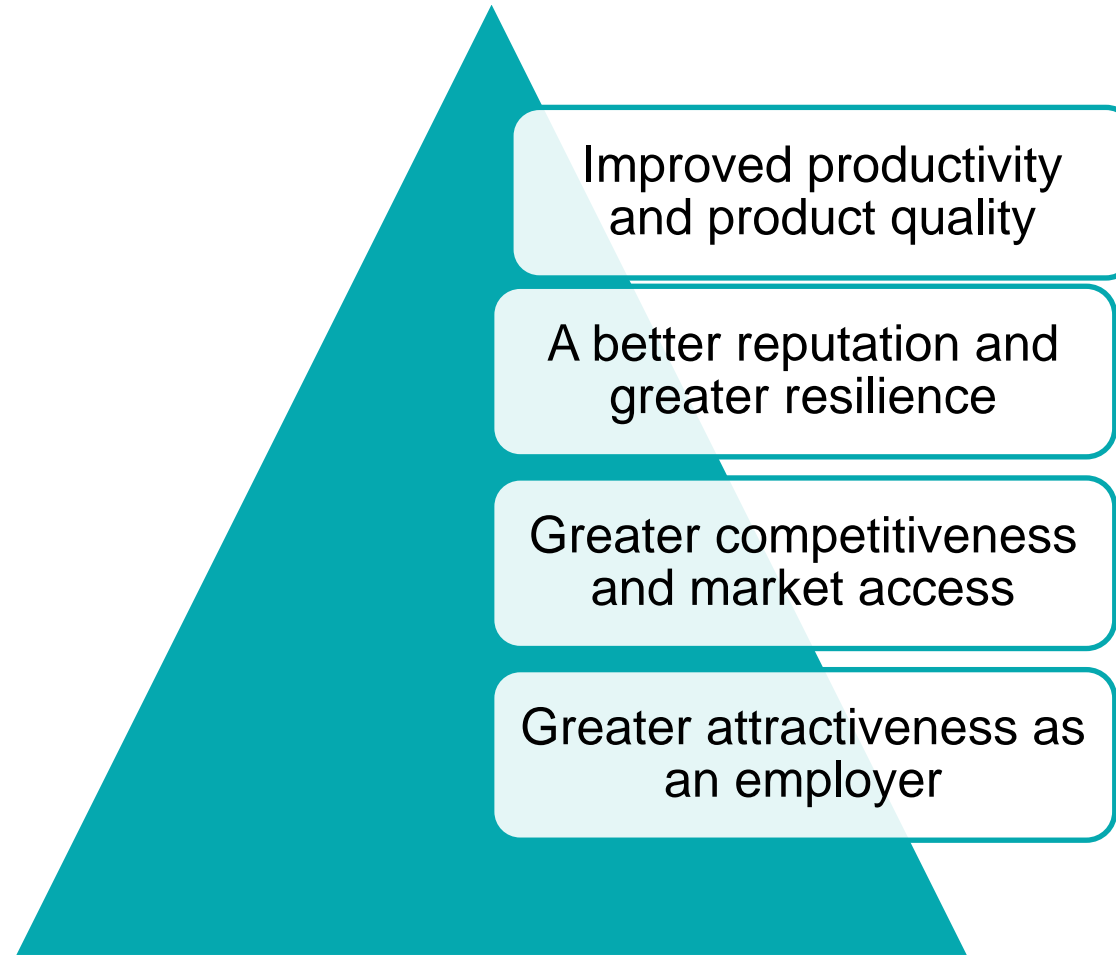
Directive on corporate sustainability due diligence in progress

Ongoing

Analysis of the repercussions of the new and upcoming European legislations in Switzerland and analysis of the possible adjustments to the Swiss law.

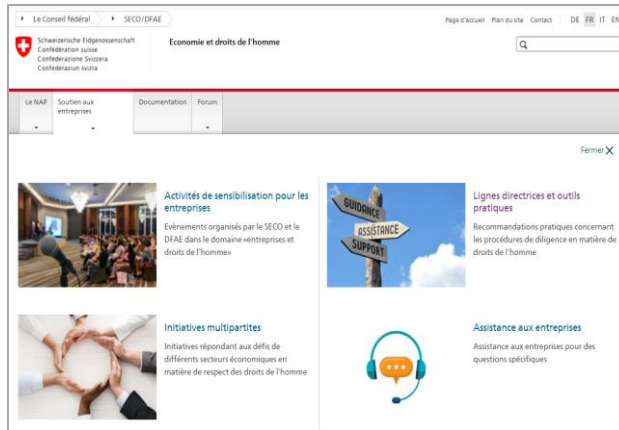


Advantages of due diligence procedures

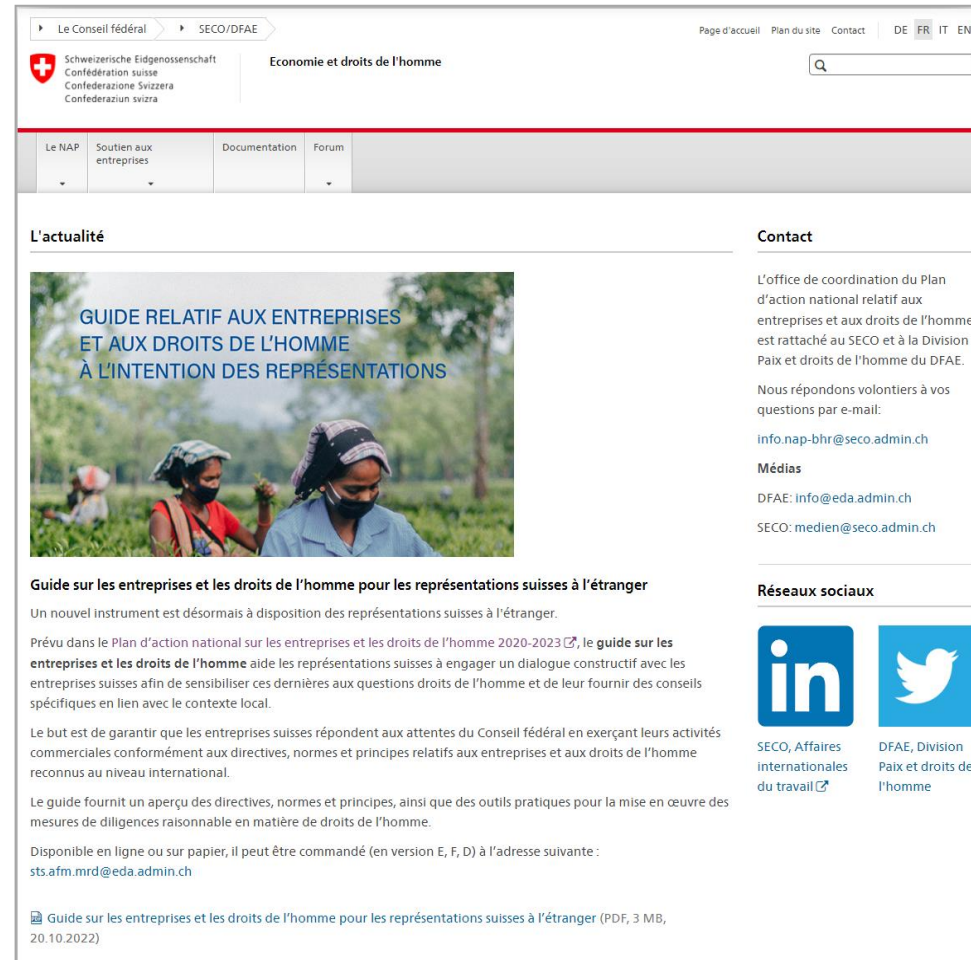




Confederation websites



Websites in 4 languages:
www.nap-bhr.admin.ch
www.csr.admin.ch





Conclusions





Thank you for your attention!

INTRODUCTION

Sustainability Schemes & Human Rights Due Diligence

WHAT ARE VOLUNTARY SUSTAINABILITY SCHEMES?

→ Voluntary sustainability standards, membership initiatives, platforms, IT-tools etc.

Objective:

Provide support for companies in the identification and management of social or environmental issues in the (mostly upstream) value chain

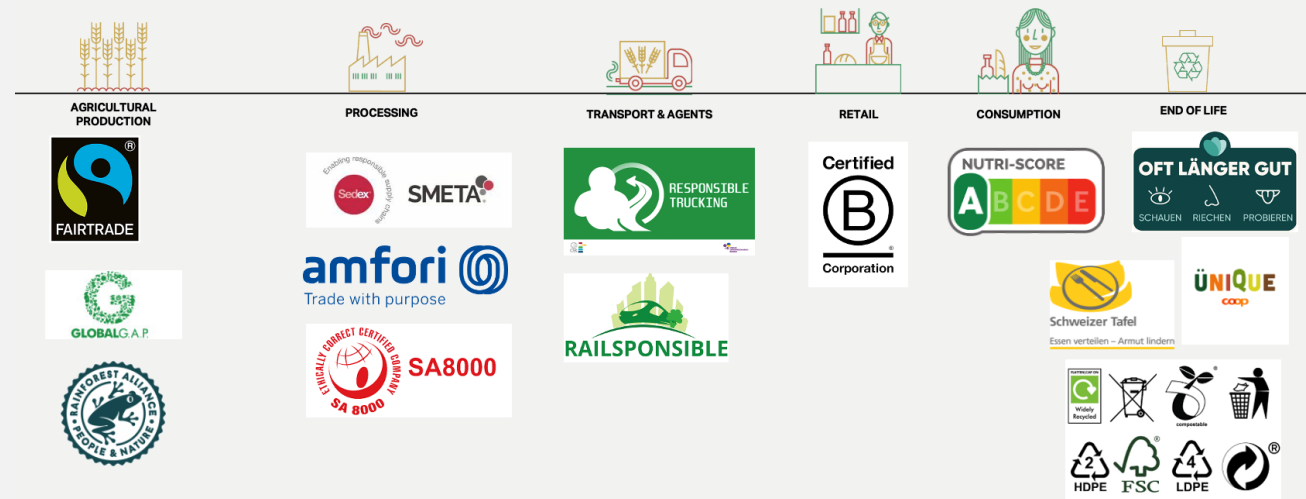
Services offered:

Most schemes offer **one or a combination of the following services:**

- social audit methodologies
- sustainability labels / certifications
- supplier evaluation / management tools
- sustainability risk data
- sector collaboration / project implementation

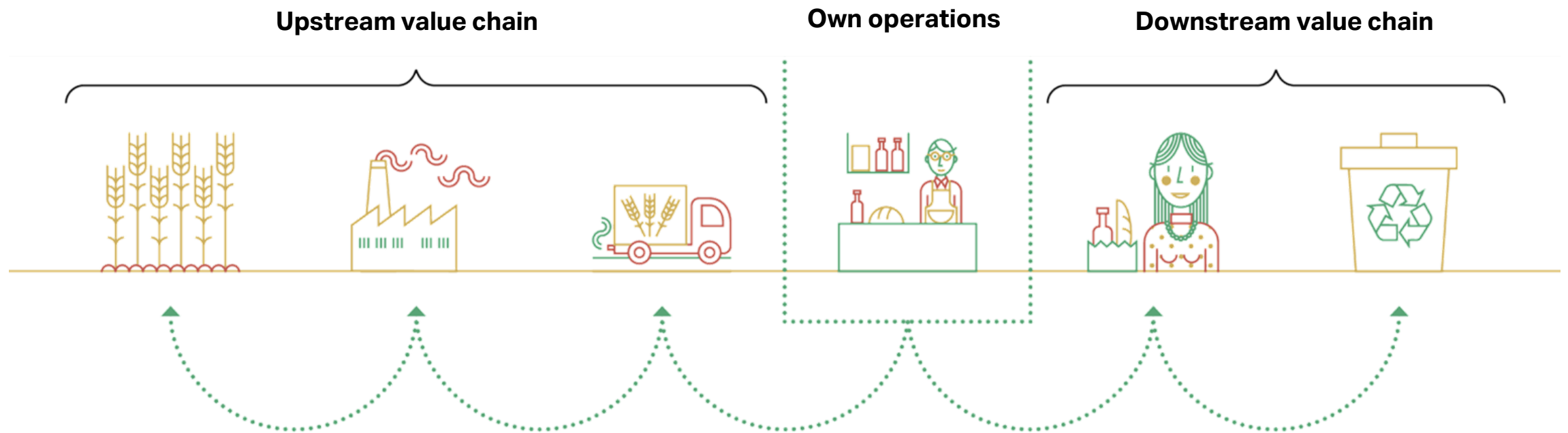
Overview / classification of sustainability schemes:

- ITC Standards Map
- Standards Compass of the Helpdesk Business & Human Rights



WHAT IS HUMAN RIGHTS DUE DILIGENCE?

A **management system** with the objective to **avoid negative impacts** on people and the environment caused by the company itself or by actors in the value chain.



KEY ELEMENTS OF HRDD

According to OECD Guidelines & UNGPs



MORE INFORMATION ON THE HRDD PROCESS – IN ENGLISH, GERMAN, FRENCH & ITALIAN

Practical guide for companies



www.focusright.ch/en/our-insights/#hrdd-guide

Explainer video



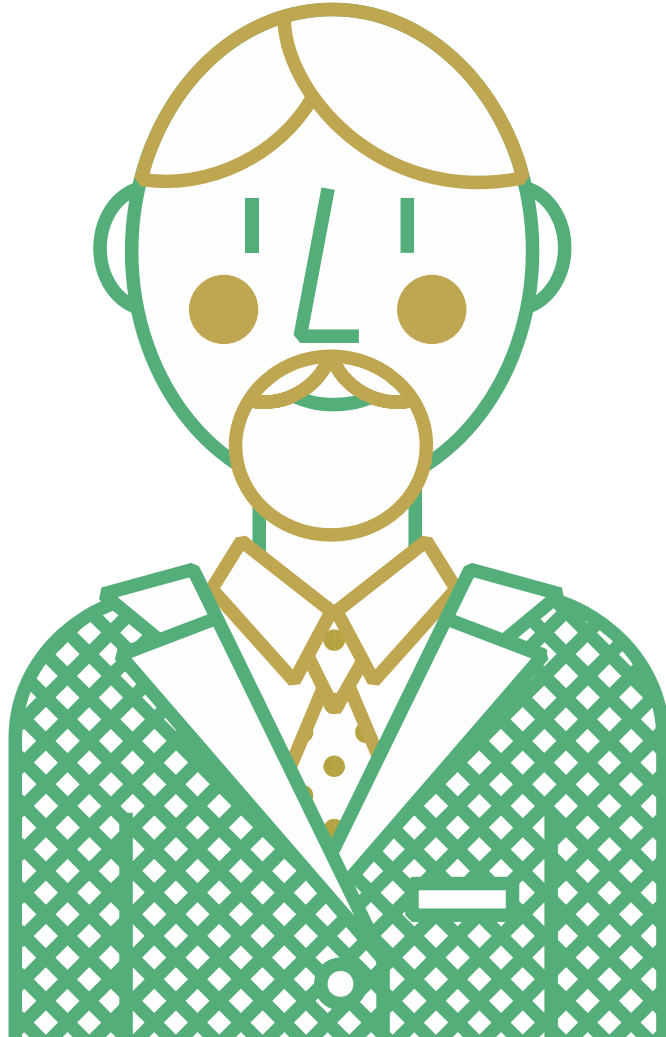
www.focusright.ch/en/our-insights/#explainer-videos

Introductory webinar

<p>Einführung in die menschenrechtliche Sorgfaltsprüfung</p> <p>Dieses einführende Webinar zur menschenrechtlichen Sorgfaltsprüfung (Human Rights Due Diligence, HRDD) richtet sich an alle Unternehmen, welche die aktuellen Entwicklungen im Bereich Wirtschaft und Menschenrechte besser verstehen möchten und sich dafür interessieren, worum es bei der Sorgfaltsprüfung geht und wie sie damit beginnen können.</p> <p>Folien Aufnahme</p>	<p>Introduction à la diligence raisonnable en matière de droits de l'homme</p> <p>Ce webinaire d'introduction à la diligence raisonnable en matière de droits de l'homme s'adresse à toutes les entreprises qui souhaitent mieux comprendre les développements actuels dans le domaine des entreprises et des droits de l'homme et qui s'intéressent à l'enjeu de la diligence raisonnable et à sa mise en œuvre.</p> <p>Slides Enregistrement</p>	<p>Introduction to Human Rights Due Diligence</p> <p>This introductory webinar on human rights due diligence (HRDD) is aimed at all companies interested in the current developments related to business and human rights and that want to know how to get started with Human Rights Due Diligence (HRDD).</p> <p>Slides Recording</p>	<p>Introduzione alla Due Diligence dei diritti umani</p> <p>Questo webinar introduttivo sulla 'due diligence' (dovuta diligenza) in materia di diritti umani (HRDD) è rivolto a tutte le aziende interessate agli attuali sviluppi in materia di imprese e diritti umani che desiderano cimentarsi nella HRDD.</p> <p>Diapositive Registrazione</p>

www.globalcompact.ch/files/ugd/300afb_52456ed1fb4a4c73882e4578954c0151.pdf

INPUT SWISS RETAIL LTD.*



Company profile

Name of the company:	Swiss Retail Ltd.*
No. of employees in CH:	8'500
No. of employees outside CH:	480
Sector:	Retail
Location Headquarters:	Switzerland

Company description

- Sales of food, personal care, textiles and electronics – with a total of approx. 12'000 products
- Sales of own brands and international brands
- Own brands (textiles and food): production in own factories in Switzerland and Germany as well as in factories of suppliers (e.g. textiles, mainly in Bangladesh, Pakistan, China)

*Fictive company example

CURRENT STATUS SWISS RETAIL LTD.*

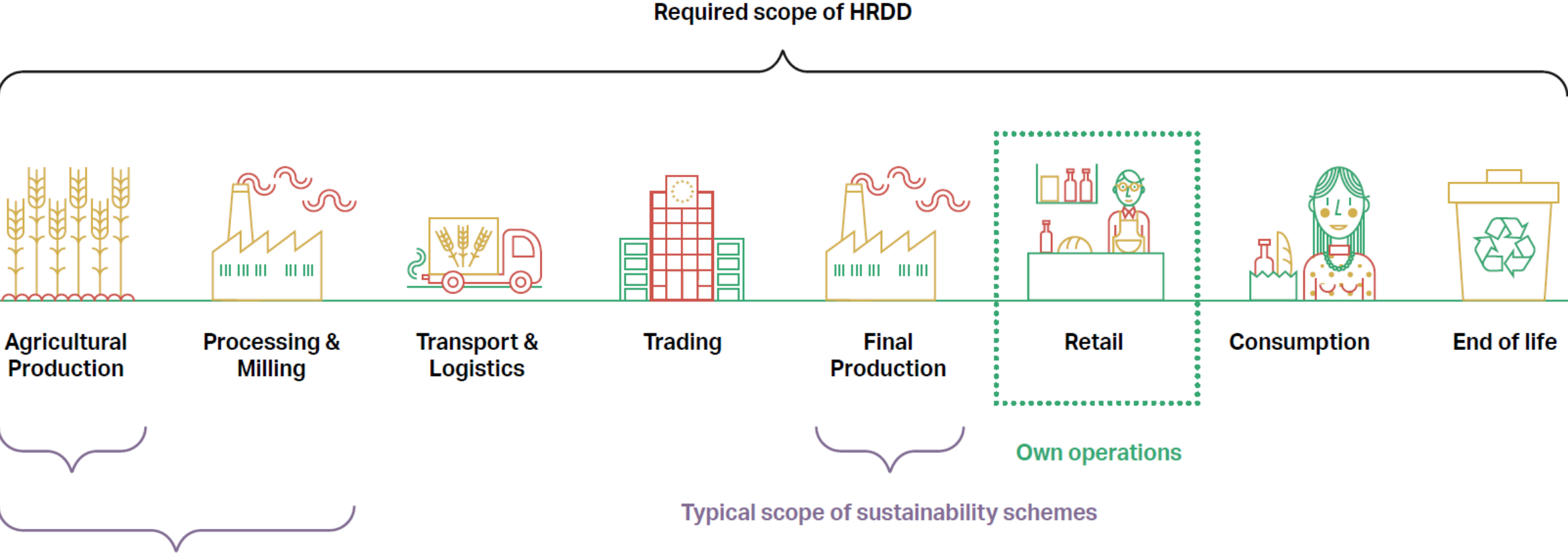
High-level Human Rights Risk Assessment

- Identified 8 salient human rights issues
- Most severe risks in the **upstream** value chain
- Challenge to find suitable measures to address the prioritised risks

Saliency per issue	Human rights issues							
Value Chain Stages	Child Labour	Discrimination & Harassment	Environmental Issues Impacting Human Rights	Freedom of Association & Collective Bargaining	Living Wage / Income	Modern Slavery & Forced Labour	Occupational Health & Safety (OHS)	Working Conditions / Hours
1. Production of raw materials	3	3	3	3	3	3	3	3
2. Processing of raw materials	3	3	2	3	3	3	3	3
3. Production of final products	3	3	3	3	3	2	3	3
4. Distribution, retail & business services	2	2	1	2	2	2	2	2
5. Use			1					
6. End of life	3	2	3	2	2	3	2	2
7. Transport & logistics	2	2	2	2	3	3	3	3

*Fictive company example

KEY DIFFERENCE: VALUE CHAIN ELEMENTS COVERED



Typical scope of sustainability schemes

KEY LIMITATIONS OF SUSTAINABILITY SCHEMES IN IMPLEMENTING HRDD

	Fundamental principles of HRDD	Typical limitations of sustainability schemes
Human rights / labour rights covered	<ul style="list-style-type: none"> Consider all internationally recognised human rights At least: International Bill of Rights and ILO Declaration on Fundamental Principles and Rights at Work 	Thematic scope typically limited to certain pre-defined labour rights or human rights
Personal scope	Consider all potentially affected groups of people, even if they have no formal connection to the company	Personal scope is often limited to the company's or supplier's own staff (formal workers)
Methodology	Gather information through: <ul style="list-style-type: none"> Consultation of experts Meaningful consultation with potentially affected groups of people and other relevant stakeholders 	Some schemes rely on written or document-based inputs by suppliers or a number of short interviews, lacking meaningful engagement

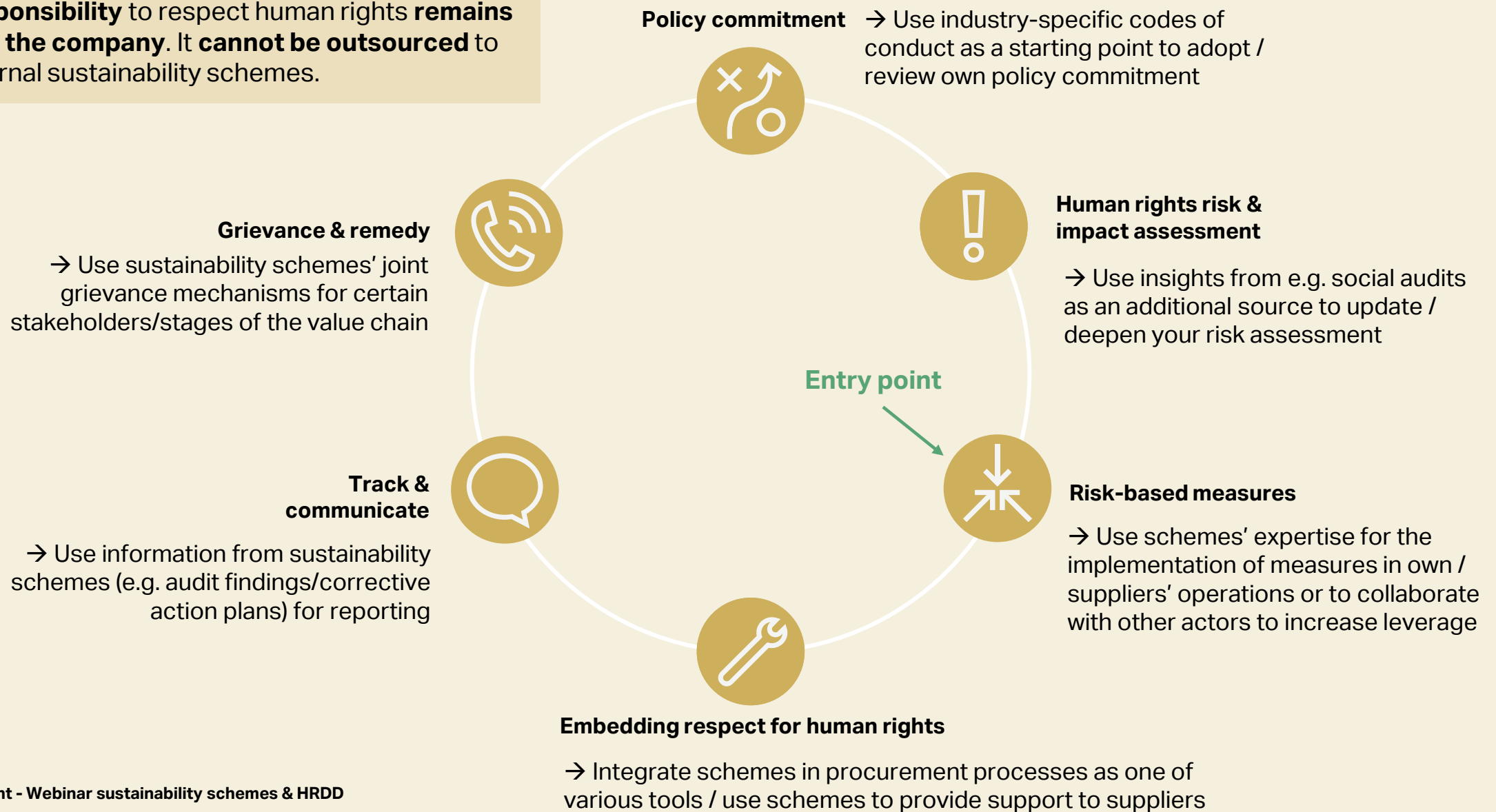


Key messages:

- Voluntary sustainability schemes can be **supporting tools** that are applied as part of human rights due diligence – they are **not a substitute** for it.
- The more **severe a risk** is, the higher are the **requirements for the measures** that the company must take.

EXAMPLES OF CONTRIBUTIONS OF SUSTAINABILITY SCHEMES TO HRDD

Responsibility to respect human rights remains with the company. It cannot be outsourced to external sustainability schemes.



IT-BASED SUPPLIER EVALUATION / MANAGEMENT TOOLS

Do:

- Apply tools in a **risk-based, targeted way** (e.g. high risk suppliers / value chains and high-risk issues)
- Use information provided by suppliers as an **entry point** for a more in-depth **dialogue**
- Be aware of possible **limitations** with regards to **data quality & conflicts of interests** of suppliers
- Take a **shared responsibility approach** to managing supply chain-related human rights issues

Don't:

- **Overburden** suppliers with excessive information requests to create «**data cementeries**»
- Ask for data you **don't need**
- **Blindly trust** information received, check for plausibility



NEW Q&A FOR COMPANIES - AVAILABLE IN 4 LANGUAGES

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Consejo de Administración
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Certifications, social audits and supplier management tools: What is their role in companies' human rights due diligence?



Voluntary sustainability schemes such as social audits, certifications or supplier management tools are increasingly used by companies as part of their corporate responsibility strategies. This Q&A explains the role and limitation of these schemes in companies' human rights due diligence (HRDD). Based on the UN Guiding Principles on Business and Human Rights (UNGPs), it provides an overview of the most important points to consider when applying such schemes.

¹ Human rights due diligence (HRDD) is a systematic approach to managing human rights risks and impacts. For more information, refer to focusright's *Practical guide for companies*.

² The principles of the UNGP are also contained in the OECD Guidelines for multinational enterprises, which cover a broader range of topics that are relevant for responsible business conduct. The OECD Guidelines encourage companies to contribute to economic, environmental and social progress, and to minimise adverse impacts that may be associated with the company's operations, products and services.

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Zertifizierungen, Sozialaudits und Lieferantenmanagement-Tools: Welche Rolle spielen sie bei der menschenrechtlichen Sorgfaltsprüfung von Unternehmen?



Unternehmen setzen freiwillige Nachhaltigkeitsinitiativen wie Sozialaudits, Zertifizierungen oder Lieferantenmanagement-Tools zunehmend als Teil ihrer Unternehmensverantwortungs-Strategie ein. Dieses Q&A erläutert die Rolle und Grenzen solcher Initiativen im Rahmen der menschenrechtlichen Sorgfaltsprüfung von Unternehmen. Basierend auf den UNO-Leitprinzipien für Wirtschaft und Menschenrechte (UN Guiding Principles on Business and Human Rights, UNGP) wird im Folgenden ein Überblick über die wichtigsten Punkte zur Nutzung solcher Initiativen gegeben.

¹ Die menschenrechtliche Sorgfaltsprüfung ist ein systematischer Ansatz für das Management von menschenrechtlichen Risiken und Auswirkungen. Weiterführende Informationen finden Sie im focusright Leitfaden zur Umsetzung der menschenrechtlichen Sorgfaltsprüfung.

² Die Prinzipien der UNGP sind ebenfalls in den OECD-Leitlinien für multinationale Unternehmen enthalten. Diese decken eine breite Palette an relevanten Themen für die verantwortungsvolle Unternehmensführung ab. Unternehmen werden durch die OECD-Leitlinie ermutigt, zu wirtschaftlichem, ökologischem und sozialem Fortschritt beizutragen und negative Auswirkungen, die ebenfalls mit ihren Geschäftstätigkeiten, Produkten und Dienstleistungen im Zusammenhang stehen, zu minimieren.

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Certifications, audits sociaux et outils de gestion des fournisseurs: Quel rôle jouent-ils dans la diligence raisonnable des entreprises en matière de droits de l'homme ?



Dans le cadre de leur stratégie de responsabilité sociale, les entreprises recourent de plus en plus, sur une base volontaire, à des initiatives de durabilité telles que des certifications, des audits sociaux ou des outils de gestion des fournisseurs. Les présentes questions et réponses expliquent le rôle et les limites de ces initiatives de durabilité dans la diligence raisonnable des entreprises en matière de droits de l'homme¹. En s'appuyant sur les Principes directeurs de l'ONU relatifs aux entreprises et aux droits de l'homme² (UN Guiding Principles on Business and Human Rights, UNGP), elles proposent une vue d'ensemble des points essentiels à prendre en compte lors de la mise en œuvre de telles initiatives.

¹ La diligence raisonnable en matière de droits de l'homme est une approche systématique de la gestion des risques et des incidences relatives aux droits de l'homme. Pour plus d'informations, consultez le guide pratique pour les entreprises de focusright.

² Ces principes font également partie des Principes directeurs pour les entreprises multinationales de l'OCDE, qui couvrent une vaste palette de sujets liés à la conduite responsable des entreprises. Les principes de l'OCDE encouragent les entreprises à contribuer au progrès économique, environnemental et social ainsi qu'à minimiser les incidences négatives pouvant être associées à leurs opérations, produits et services.

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Certificazioni, audit sociali e strumenti di gestione dei fornitori: Qual è il loro ruolo nella dovuta diligenza delle aziende in materia di diritti umani?



Nell'ambito della loro strategia di responsabilità aziendale, le aziende si affidano sempre più spesso a delle iniziative di sostenibilità su base volontaria, come gli audit sociali, le certificazioni o gli strumenti di gestione dei fornitori. Questo Q&A spiega il ruolo e i limiti di queste iniziative nell'implementazione della dovuta diligenza in materia di diritti umani¹. Basata sui Principi Guida delle Nazioni Unite su Imprese e Diritti Umani (UNGPs), fornisce una panoramica degli aspetti più importanti da considerare quando si applicano tali iniziative.

¹ La dovuta diligenza in materia di diritti umani rappresenta un approccio sistematico per gestire i rischi e gli impatti sui diritti umani. Per maggiori informazioni di riferimento, consultare il manuale di focusright.

² Questi principi sono contenuti anche nella Linea Guida dell'OCSE relativa alle imprese multinationali, che copre una gamma più ampia di temi rilevanti per una condotta d'impresa responsabile. La Linea Guida dell'OCSE incoraggia le imprese a contribuire al progresso economico, ambientale e sociale e a ridurre al minimo gli impatti negativi associati alle loro attività e ai loro prodotti e servizi.

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Available online:

www.nap-bhr.admin.ch/napbhr/en/home/unternehmen/handlungsanleitungen/lignes.html#1224210803

SUSTAINABILITY SCHEMES

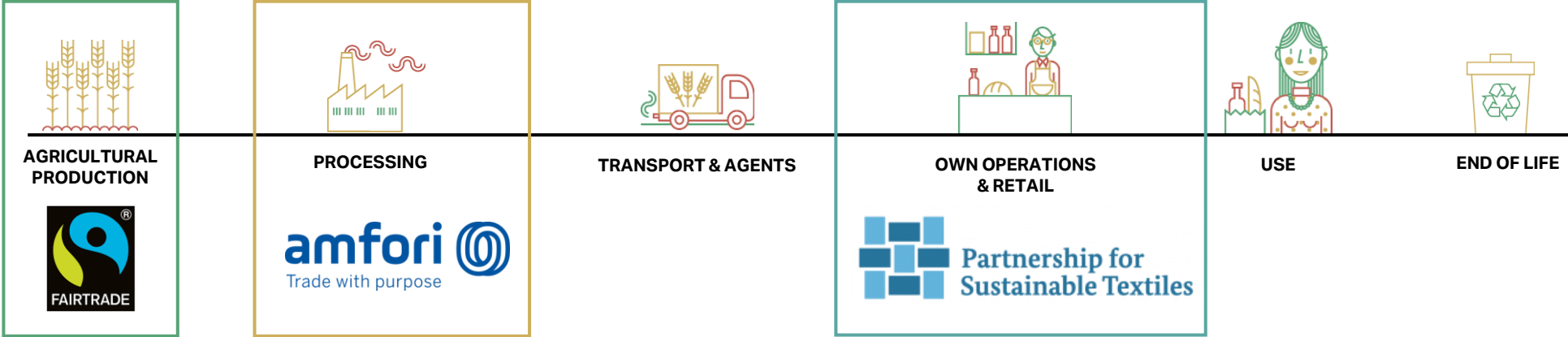
Practical examples
of services offered

THREE EXAMPLES OF SERVICES AT DIFFERENT STAGES OF THE VALUE CHAIN

Sustainability certification

Social audit methodology

Support to embed human rights in own operations

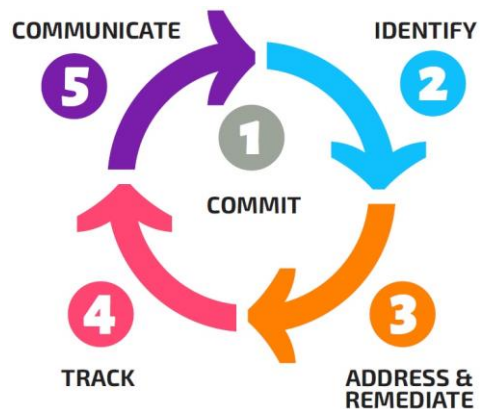




Fairtrade as HREDD Partner

Dr. iur. Simone Hutter
October 26, 2023

Is Fairtrade certification a tool to prevent & mitigate my salient risks?



Key questions:



1. Fairtrade's scope

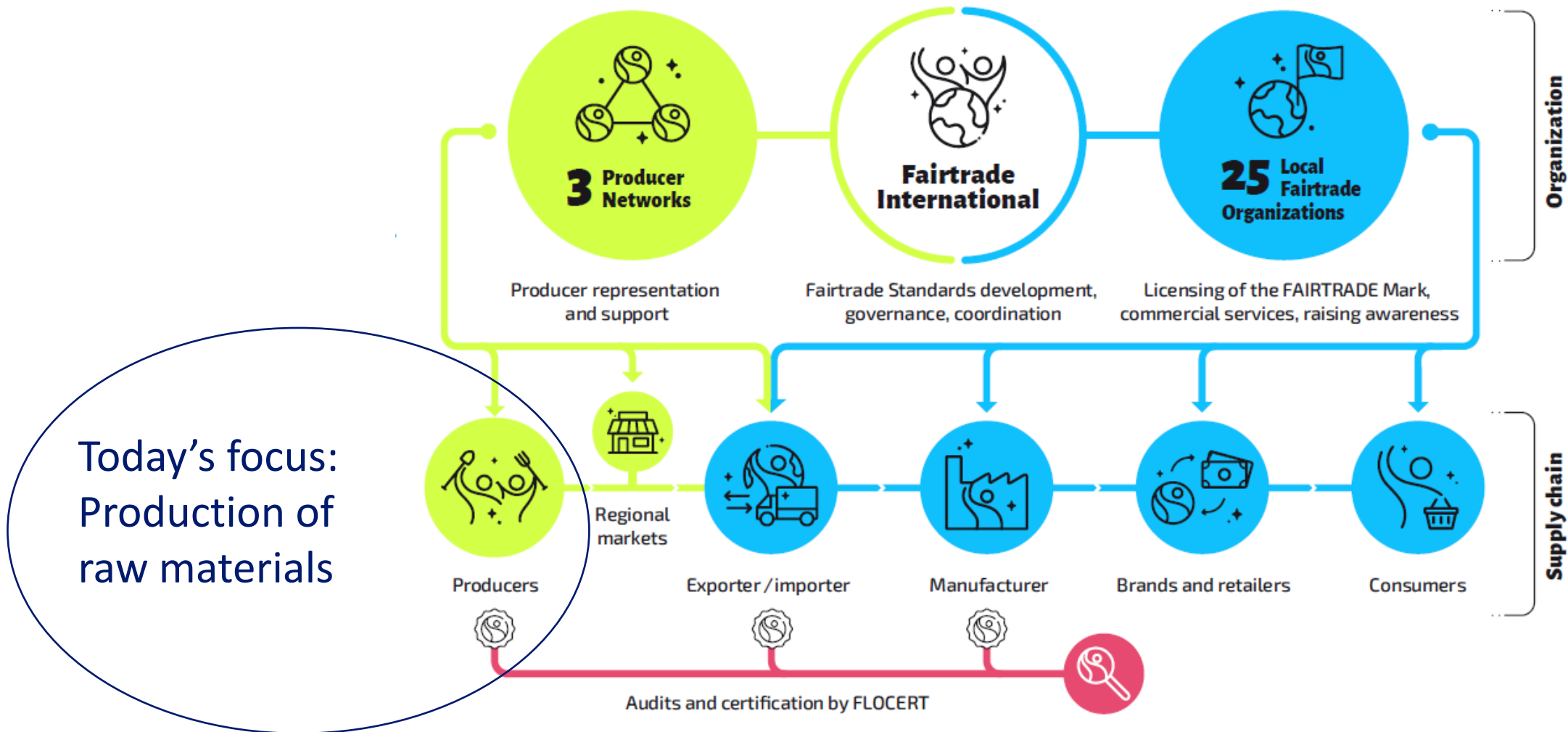


2. Fairtrade's salient issues



3. Fairtrade's due diligence functions

1. Fairtrade's Scope: Supply Chain Actors



1. Fairtrade's Scope: Products & Geographic Coverage



Fairtrade Risk Map

MENU EN Search

EXPLORE MAP

Choose:

COUNTRY

Search country

All

Bhutan

Bolivia

Brazil

China

Colombia

Cote D'Ivoire

Dominican Republic

or filter by:

COMMODITY

None

Banana

Cocoa

Coconut

Cotton

Coffee

Flowers

Fruit

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Key Products:



For full list:
[Fairtrade Risk Map](#)

2. Fairtrade's Salient Issues



**Gender
Rights**



**Labour
Rights &
Conditions**



**Living
Income**



**Living
Wage**



**Water &
Biodiversity**



**Child
Rights**



**Climate
Change**



Discrimination



**Forced
Labour**

2. Fairtrade's Salient Issues

Fairtrade Risk Map MENU

Salient Issues

Salient Issues

Proper risk assessment makes human rights and environmental work easier: When salient issues are known, supply chain partners can focus on preventing, mitigating and remediating them. Fairtrade's list of salient issues is lengthy because we operate in diverse high-risk locations and commodities.

This list is based on the severity and prevalence of impacts on people and the environment, considering the commodity, geographic and organisation-related risk factors. View the issue pages for further information and Fairtrade's responses.

Gender Rights

Labour Rights & Conditions

Living Income

Living Wage

Water & Biodiversity

Child Rights

Climate Change

Discrimination

Forced Labour

1: Preventive and mitigating measures

Fairtrade utilises a variety of tools to mitigate³ the risks of child labour and other child rights violations at farmer organisations and plantations.

The **Fairtrade Standards** are one of our tools and includes several child rights requirements:

- Prohibition of child labour** - The Standards promote compliance with international standards, including a prohibition on child labour as defined by ILO conventions: All labour by children under the age of 15 and all work that jeopardises the schooling or health of under-18-year-olds.
- Risk Assessment** - Farmer organisations need to assess the risk of child labour and, where risk is high, they are encouraged to implement preventive measures. One common measure is the establishment of a custodial internal control system. Annual 20% of Certificate.

2: Remediating measures

No organisation can provide a 100% guarantee that a product is free from child labour. Child labour is rooted in poverty, inequality and exploitation, which need to be addressed in collaboration by companies, government

However, Fairtrade cannot guarantee that each and every child labour case is fully remediated. Full remediation includes rehabilitation and compensation for the victims, which can require

Child rights in Fairtrade Standards

STANDARD	CRITERIA	TYPE	YEAR
Small-scale producer organisation	You and the members of your organisation have not employed children below the age of 15 or under the age defined by local law, whichever is higher.	M	0
Small-scale producer organisation	Your members' children below 15 years only help on your members' farms after school or during holidays, the work they do is appropriate for their age and physical condition, they are supervised and guided by their parent or legal guardian and they do not work for long hours or under dangerous or exploitative conditions.	C	0
Small-scale producer organisation	You and the members of your organisation have not submitted workers of less than 18 years of age to the unconditional worst forms of child labour.	M	0
Small-scale producer organisation	If in the past you or your members employed children under 15 for any type of work, or children under 18 for dangerous and exploitative work, you have ensured that those children do not enter or are at risk of entering into even worse forms of labour including hazardous work, slave-like practices, recruitment into armed conflict, sex work, trafficking for labour purposes, and/or illicit activities.	C	1
Small-scale producer organisation	You and the members of your organisation have implemented relevant procedures to prevent children below the age of 15 from being employed for any work and children below the age of 18 from being employed in dangerous and exploitative work. (Only applies if you have identified child labour as a risk in your organisation.)	D	3
Small-scale producer organisation	Any action that you have taken to ensure that children employed by you do not enter or are at risk of entering into even worse forms of labour, respects the UN Convention on the Rights of the Child (CRC) protective framework, which means - that the best interest of the child are always the top priority - that their right to survival and development is respected, - that you apply them to all children without discrimination, - that the views of the child are heard and respected, - and at all moments they are protected from violence.	C	1
Small-scale producer organisation	You and the members of your organisation have not submitted workers of less than 18 years of age to any type of work which, by its nature or the circumstances under which it is carried out, is likely to jeopardize their health, safety, morals or their school attendance.	M	0
Organisation with hired labour	Access to primary education is ensured for children of all permanent resident workers.	C	1
Organisation with hired labour	Measures are implemented to improve the education of all workers' children, including children of migrant and temporary/seasonal workers.	D	3
Organisation with hired labour	Support is provided for crèche facilities for the workers' children either inside or outside the premises.	D	6
Organisation with hired labour	The company does not employ children under the age of 15 or under the age defined by local law, whichever is higher.	M	0
Organisation with hired labour	The company does not directly or indirectly submit workers less than 18 years of age to any type of work which puts their health, safety or morals and their school attendance at risk. (Not applicable to tea.)	M	0

Salient Issue

Child rights

Child labour, health hazards and other child rights violations are common in many countries and throughout global supply chains. It is estimated that 160 million children around the world – 70% of them in the agricultural sector – are engaged in work that threatens their health and safety or interrupts schooling.

Child Labour - Around the globe, child labour is widely documented in the production of gold (in 24 countries, as per [US Department of Labour](#) in October 2022), sugar (18), coffee (17), cotton (15), rice (12) and cocoa (7).

In Ghana and Côte d'Ivoire, where most of the world's cocoa is produced, children constitute a third of the total workforce in cocoa production. It is estimated that approximately 1.54 million children – or 45% of the children living in cocoa growing areas – are engaged in child labour.

Children engaged in hazardous work or forced labour have been especially noted in sugar and West African cocoa production. This includes the use of sharp tools, exposure to hazardous chemicals, and carrying of heavy loads. Child labour risks are also present in the production of tea, bananas, wine grapes and textiles, as well as various vegetables, fruits, nuts, seeds and oils.

Information about child labour at the processing stage is scarcer, but underage workers have been found in pineapple processing

many children, especially in the vicinity of gold mines and conventional banana plantations. Aerial spraying of pesticides on banana plantations can affect children living up to 1.5 kilometres away, hindering child and fetal development. Children living near or working at artisanal gold mines are often exposed to toxic mercury, which is used for gold processing. This can cause brain damage and other serious conditions.

Safety - In India, child trafficking on tea plantations and forced child marriage among sugar cane workers are other high-risk areas. Mothers' overtime work and long commutes can jeopardise the safety of children. Especially mothers working on flower, fruit and vegetable estates report that childcare facilities are inadequate and toddlers may spend long days alone with 10-year-old siblings. Carbon credit projects may require the relocation of entire communities, which disrupts children's schooling for months or years.

Root Causes - Child rights violations have many root causes, but discrimination and poverty are the most prevalent. Given the low



Action

Fairtrade's Response

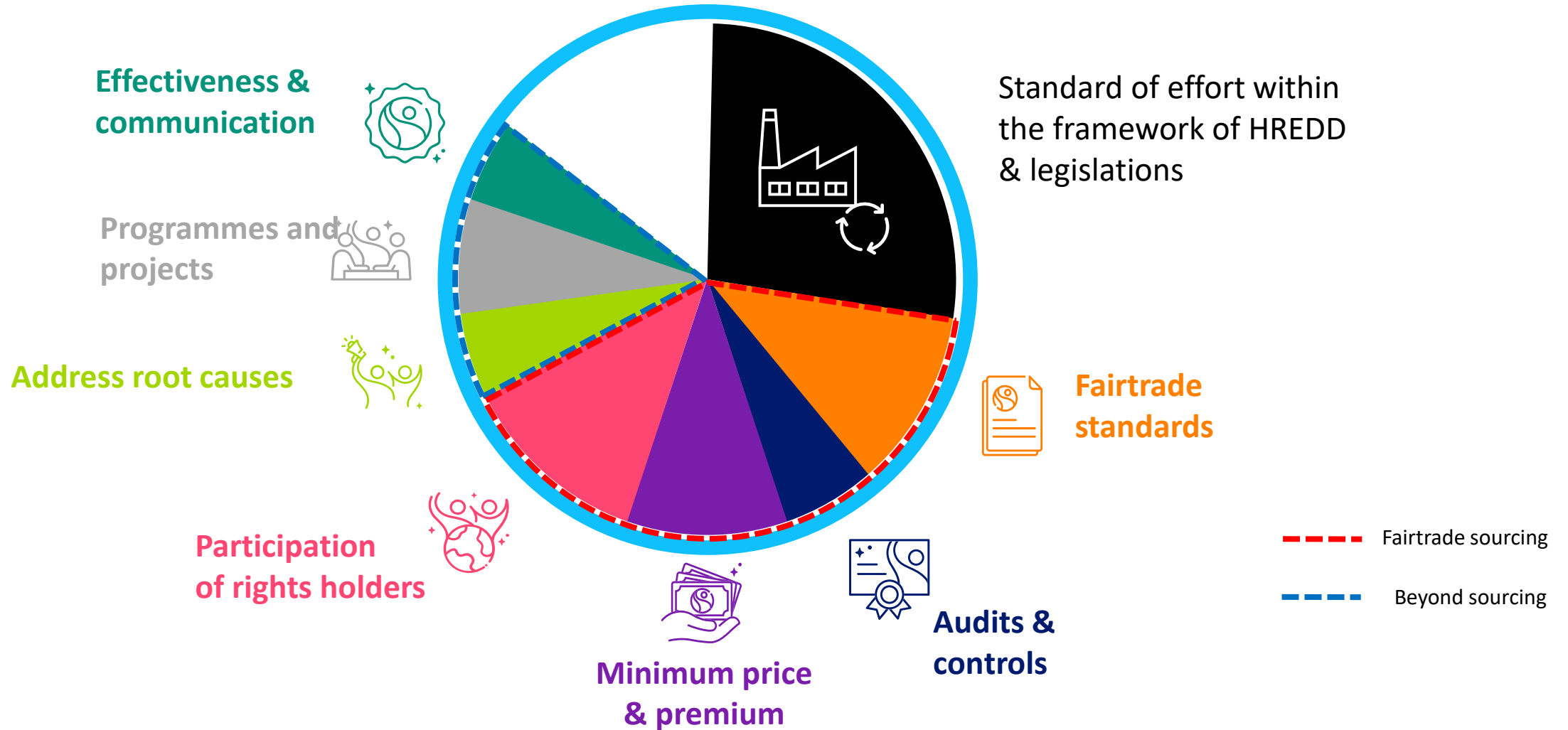
Fairtrade works in supply chains where the risk of child labour is high, which is precisely where our work is most needed. The Fairtrade approach to child labour mitigation and remediation is human rights-based and inclusive, and targets direct root causes.

We support efforts by farmer organisations, plantations and other organisations using hired labour¹ to utilise a community-centred approach to identify, mitigate, prevent and remediate abuse and exploitation of children. We also seek to facilitate dialogue among producer organisations, governments, traders and civil society organisations, so that solutions generated at the local level can be scaled up.

When child labour is found, Fairtrade [acts to protect](#)² the affected person(s), working with national agencies, NGOs and the producer organisation towards the remediation and prevention of further cases. If child labour or related non-compliance with Fairtrade Standards is found in an audit, the independent Fairtrade auditor, FLOCERT, also agrees on [corrective actions](#) and checks their implementation.

¹ On this page, we use "hired labour" to refer to organisations using hired labour.
² Fairtrade's [Child Labour and Forced Labour Guidelines](#).

3. Fairtrade's Due Diligence Functions



Programme Example

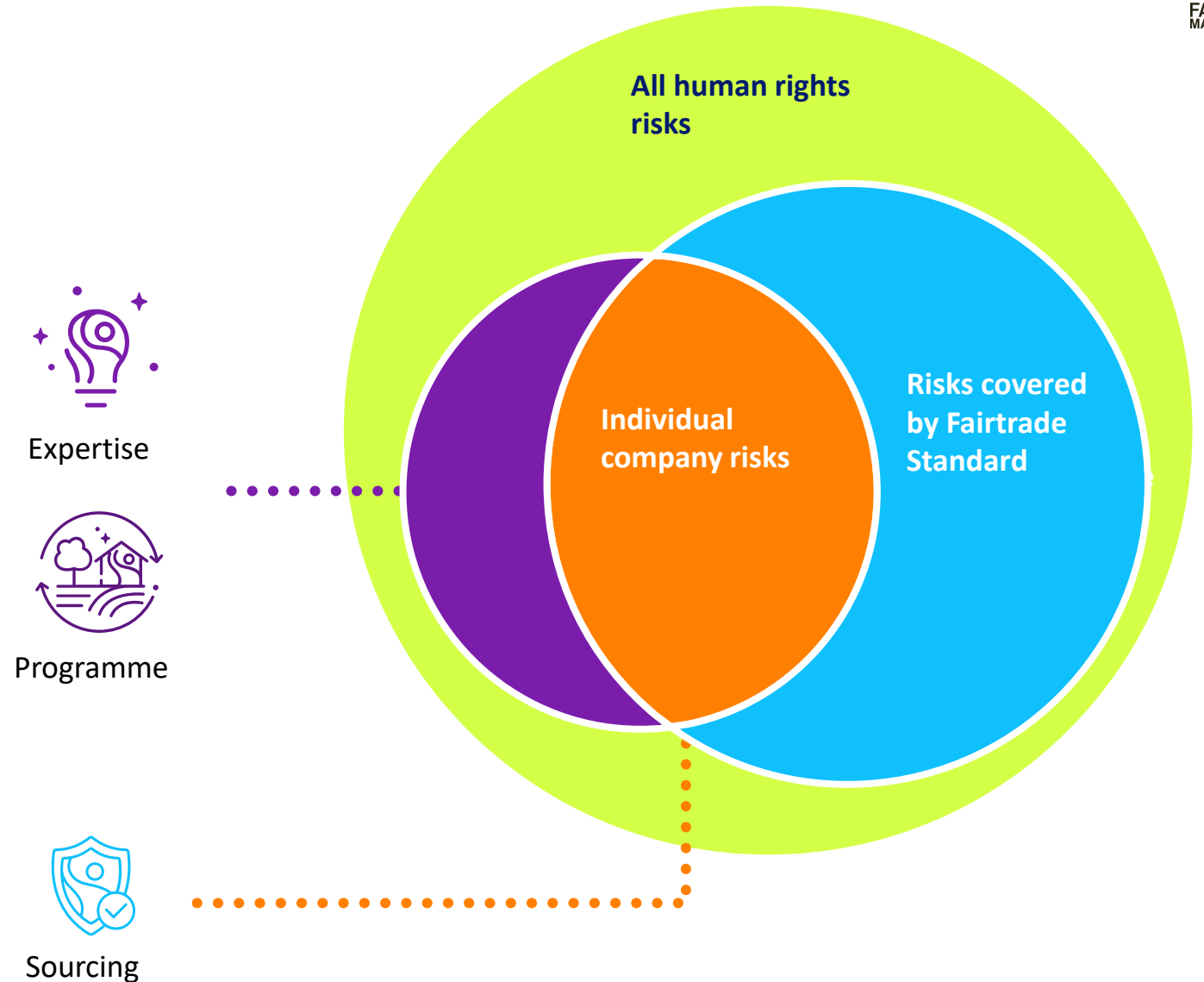
Community-based Child Labour Monitoring and Remediation Systems

- Objective: Reduce the risk of child labour and forced labour in cocoa production in Ghana.
- Approach: Combination of strengthening of cooperatives' capacity to detect, remediate and reduce child and forced labour cases with the increasement of sustainably produced cocoa sales

Full list of Programmes & Projects:
[Fairtrade Project Map](#)



- Fairtrade is a tool to address negative impacts at the stage of agricultural production
- Certification covers part of a company's human rights risks





Together into a fair future!

Questions?

Dr. iur. Simone Hutter
Human Rights Due Diligence Expert
s.hutter@maxhavelaar.ch



Certifications, social audits and supplier management tools – What is their role in human rights due diligence?

amfori

26th October 2023 – Laura Wauters

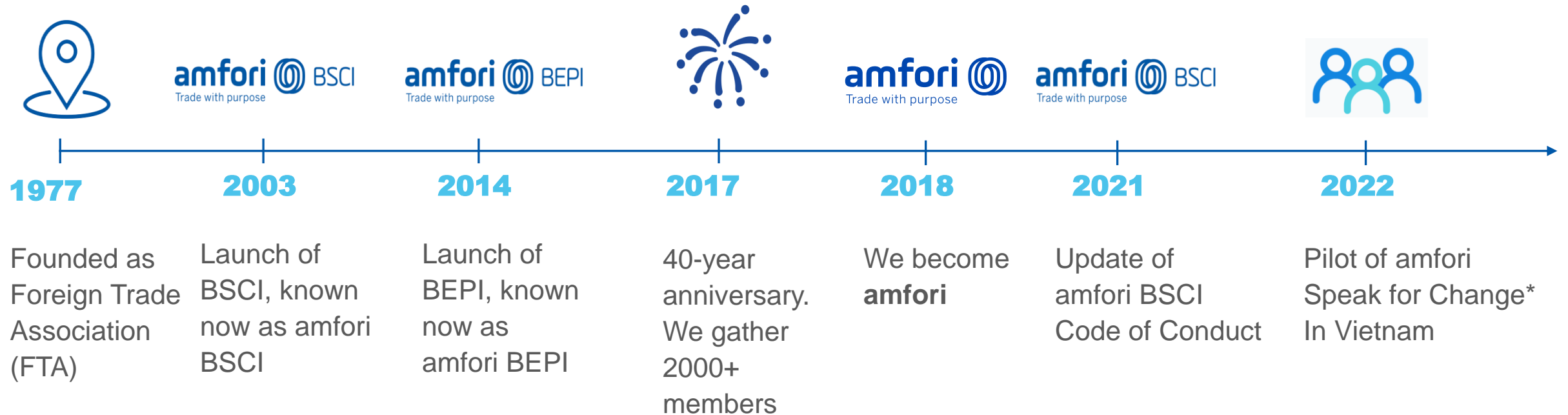
Who we are

We believe that focus on people, planet and profit can go hand in hand. As the leading business association for sustainable trade, we enable our international members to be sustainable businesses by helping them improve the environmental, social and governance performance of their value chains.



Our Evolution

We are building on 40 years of Experience to be Future-Fit

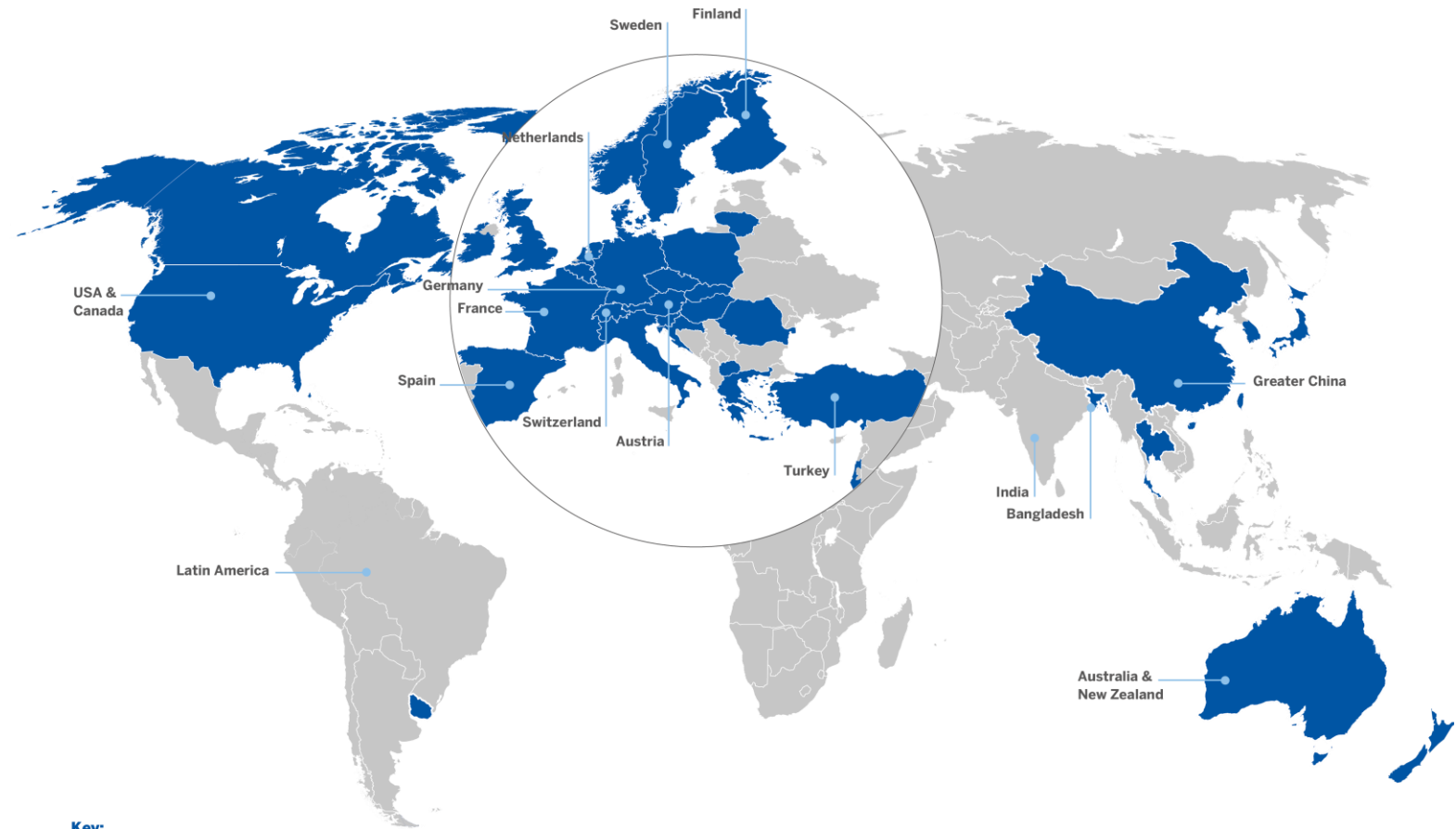


* amfori Supply Chain Grievance Mechanism

amfori across the world

15

Local Representatives



Key:
■ amfori Members
● amfori Local Networks and Network Representatives


amfori in Numbers (2022)

amfori members collectively represent


 **2.4K+** Members

 **48** Countries

 **1.7Trillion** Annual turnover combined

 **272** Training sessions, online and face-to-face

amfori sustainable supply chains

 **56K** Engaged producers (Factories & Farms)

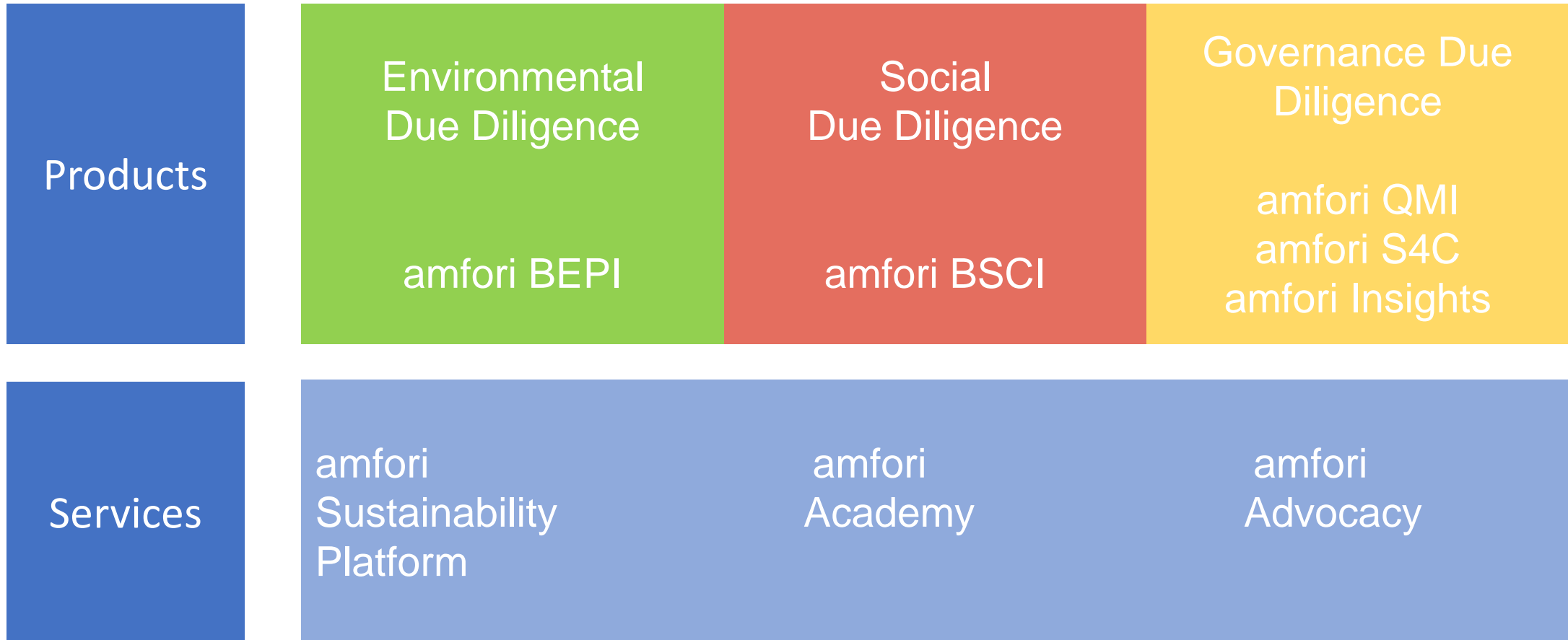
 **110** Countries

 **35K+** Audits conducted

A Snapshot of our members



Our Solutions



Our Solutions

amfori BSCI: enables companies to monitor and improve social performance in their supply chains

amfori BEPI: enables companies to monitor and improve environmental performance in their supply chains

amfori

Speak for Change: amfori's Supply Chain Grievance Mechanism offers efficient and immediate remediation to affected workers and stakeholders

amfori QMI: enables companies to assess a producer's quality management capabilities

amfori Insights: amfori's data analytics and dashboard tool to monitor, analyse, prioritise supply chain activities, and report

Our Solutions

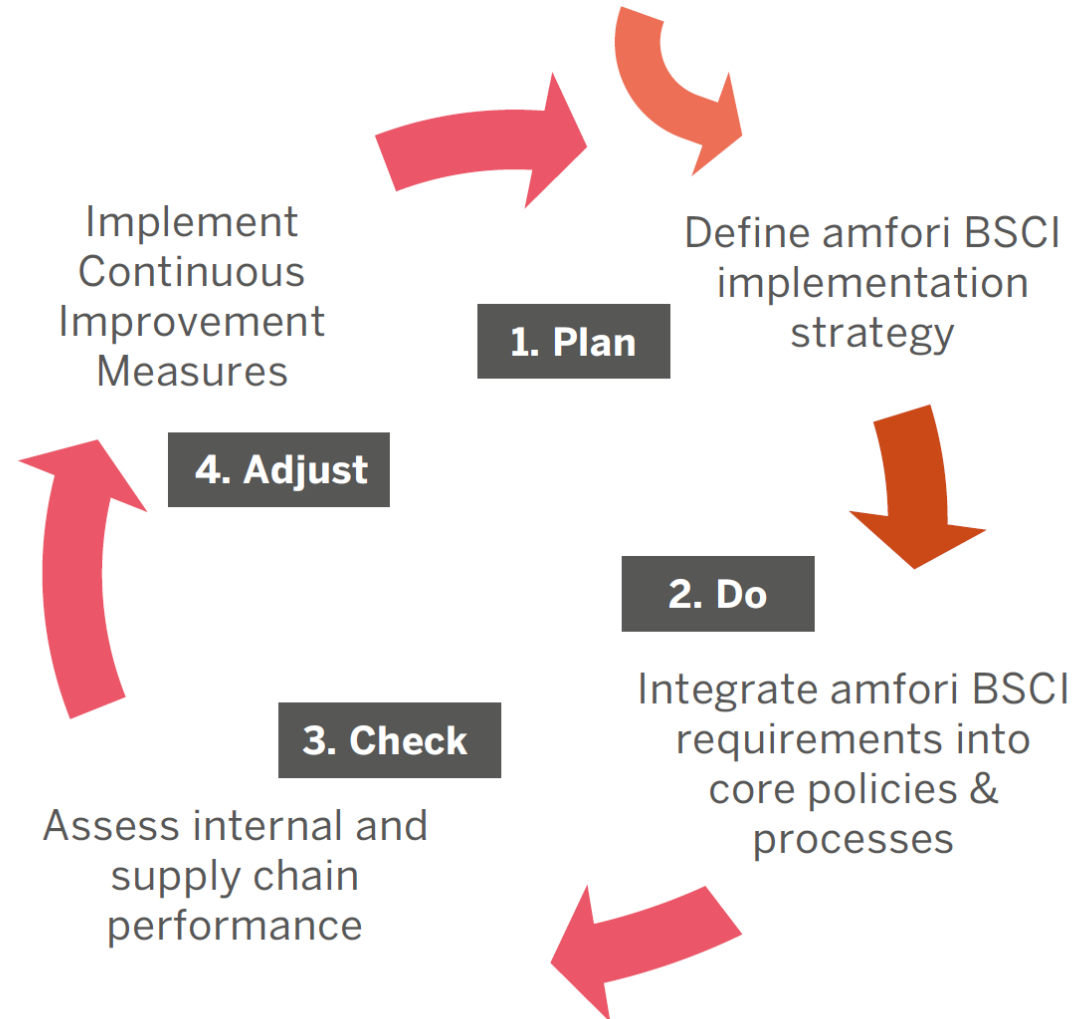
amfori Sustainability

Platform: amfori's platform for companies to map their supply chain and perform Environment, Social and Governance related activities

amfori Academy: gathers amfori's capacity building offering for members, business partners and auditing partners

amfori Advocacy: stays on top of legislation developments and engages with policy makers to have amfori members' voice heard

amfori BSCI Commitment



13 performance areas



1. **Social Management System and Cascade Effect incl. Management System**
2. **Workers Involvement and Protection incl. Grievance Mechanism**
3. The rights of Freedom of Association and Collective Bargaining
4. No Discrimination
5. Fair Remuneration
6. Decent Working Hours
7. Occupational Health and Safety
8. No Child Labour
9. Special Protection for Young Workers
10. No Precarious Employment
11. No Bonded Labour
12. Protection of the Environment
13. Ethical Business Behaviour



Zero Tolerance

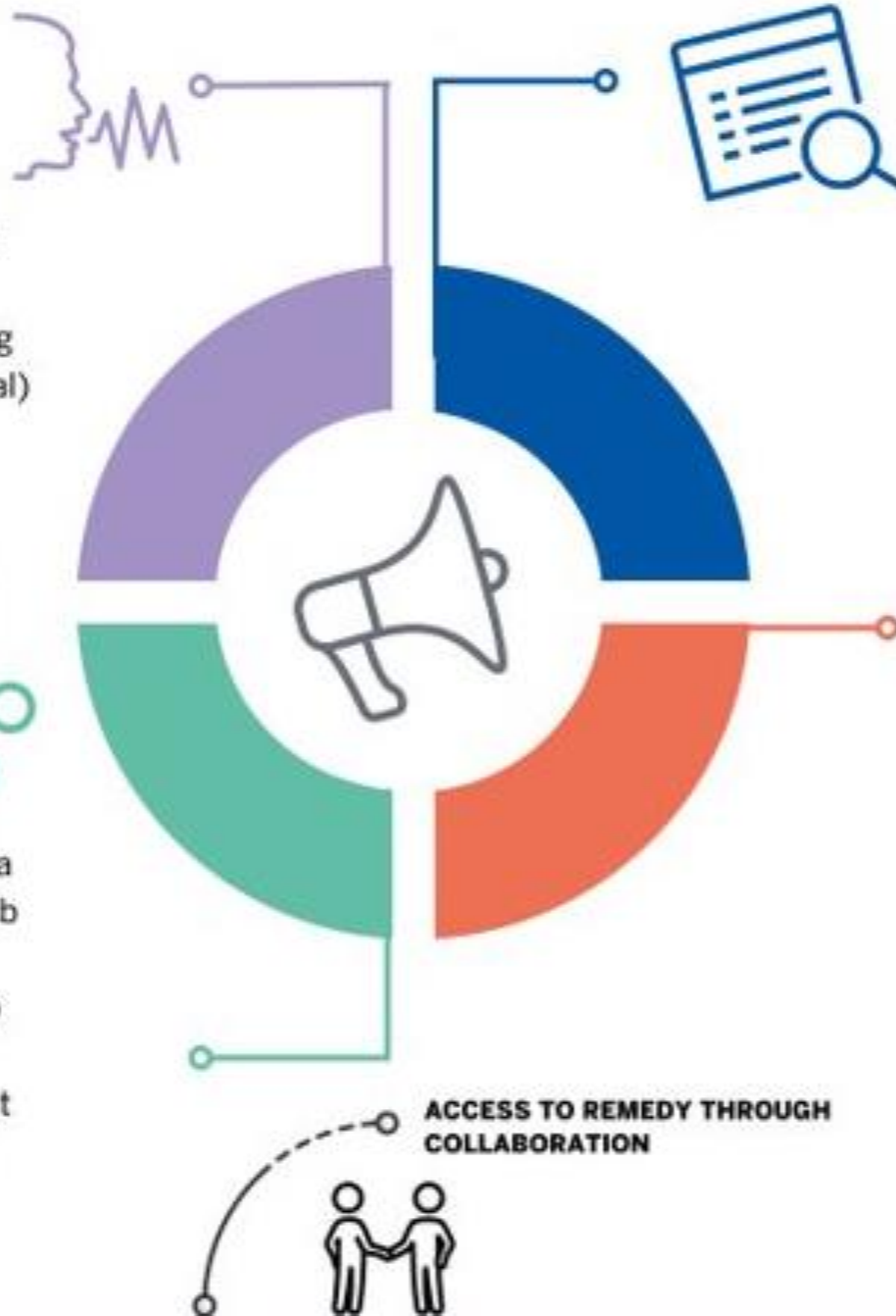
- Child Labour
 - Workers who are younger than 15 years old (China 16).
 - Workers younger than 18 and subjected to forced labour.
- Bonded Labour
 - Not allowing workers to leave the workplace or forcing them to work.
 - Using violence or threat of violence, recruitment fees to force them to work.
- Inhumane Treatment
 - Corporal punishment, physical or verbal abuse.
- Occupational Health & Safety
 - **Flagrant** violations that pose an imminent and critical threat to workers' health, safety and/or lives.
- Unethical Behaviour
 - Bribery, intentional misrepresentation in the supply chain, or purposely under-declaring the size of the work force.

amfori Grievance Mechanism

Offering amfori staff or other impacted stakeholders to submit any concern regarding the amfori workplace (internal) or services (external)

A2R Hub

Encouraging the creation of a global Access to Remedy Hub managed by a neutral international organisation(s) with input from the global community to share, connect and collaborate, in order to maximise efforts



Operational Grievance Mechanisms

Strengthening Operational Grievance Mechanisms (OGMs) at production locations and farms through amfori BSCI and capacity building & training

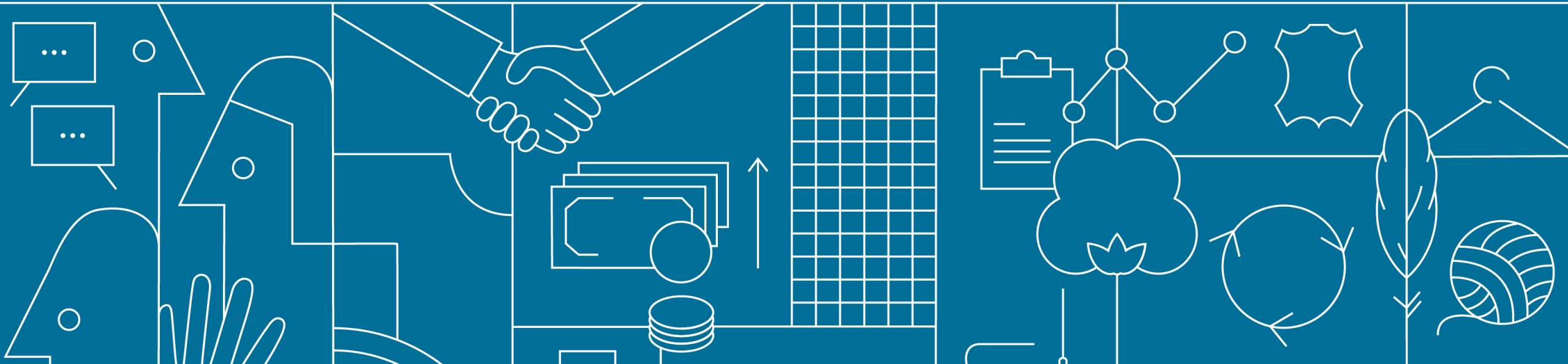
amfori Supply Chain Grievance Mechanism

Supporting amfori members in providing access to remedy to workers and communities in their global supply chains, where grievances cannot or have not been addressed through local OGMs



Partnership for Sustainable Textiles

A strong multi-stakeholder initiative for the Agenda 2030 - Presented by Thilo Liedlbauer

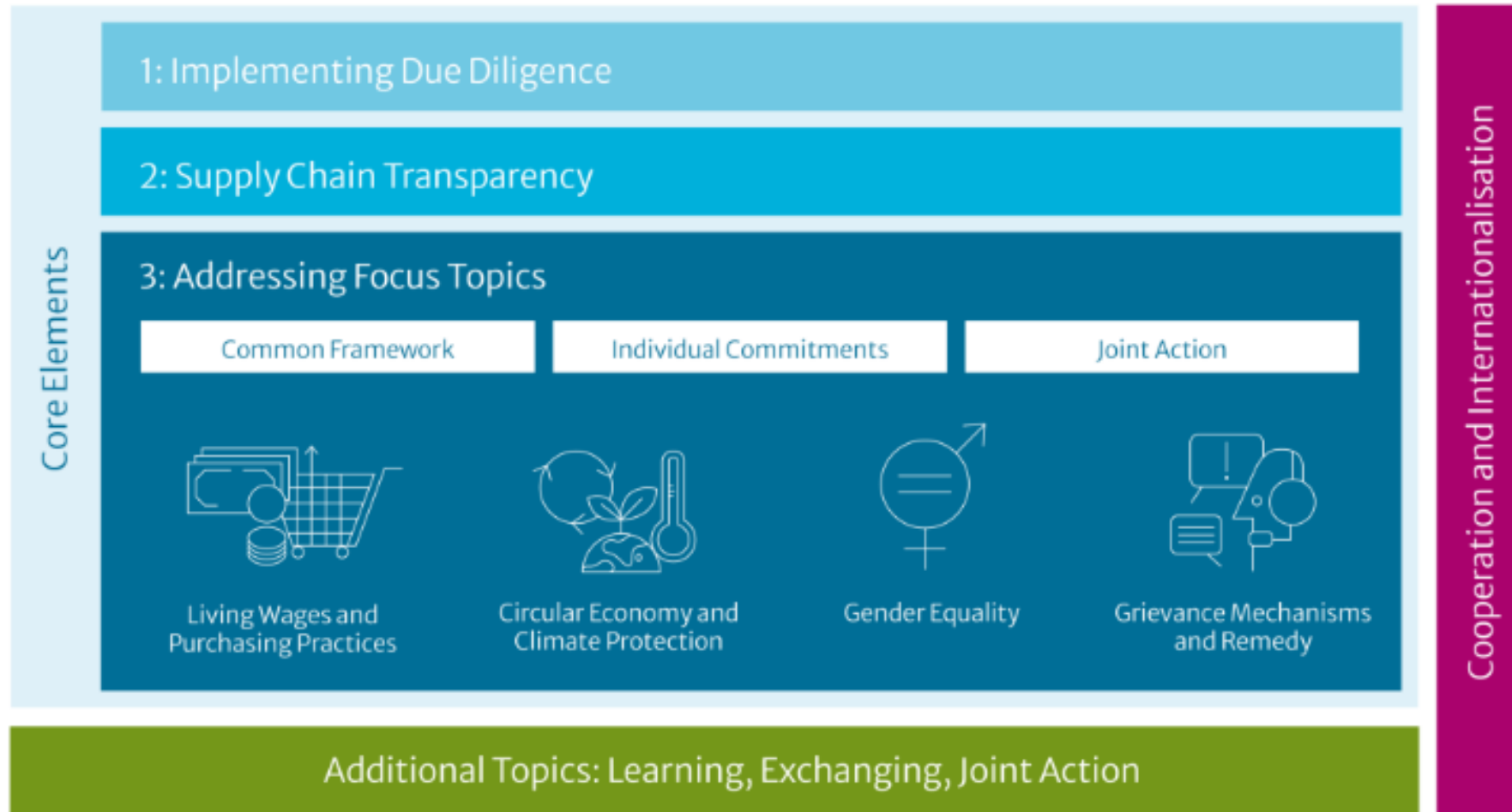


Who we are

124 members – about 45% market coverage in the German textile industry

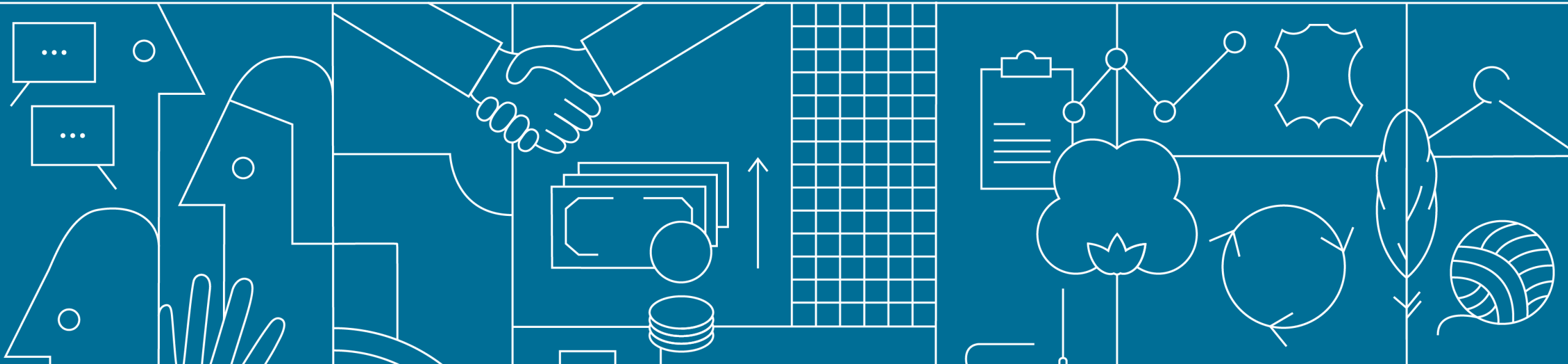


What we do



Learning and Implementation Community

Bringing due-diligence into practice



Only 17% of suppliers surveyed said their orders had enough lead times

When lead times do not allow them to plan production effectively, the consequences are often additional overtime (59%), increased production costs (56%) and delayed deliveries (54%).



Purchasing Practices



- Tech pack errors
- Delays in sample sign off
- Last minute changes (design or volume)

Impact on the factory /supplier



- Squeezes time available for production
- Difficult to plan / manage production
- Penalties for late deliveries

Impact on the workers



- Excessive overtime / no rest days
 - Exhaustion
 - Work related injuries
- Harsh treatment/ harassment
- Use of temporary workers
- Unauthorised subcontracting

Business risks to purchasing company

- Disrupted supply?
- Poor supplier relationships?
- Not meeting own human rights standards
- Quality inconsistency?

Background

- The members of the Partnership for Sustainable Textiles strive to **improve their purchasing practices** and to work towards paying living wages.
- A mutual basis for that, is the **Common Framework for Responsible Purchasing Practices (CFRPP)**
- The CFRPP serves as an official frame of reference to improve responsible purchasing practices on the basis of five principles.



Goal: The Learning Implementation Community serves as a learning and exchange platform to actively implement the principles into the business activities.

Setup

Textilbündnis

- ▶ Sympatex
- ▶ Weitblick
- ▶ Kik
- ▶ Kettelhack



- ▶ Aldi Nord
- ▶ Kaya&Kato

ETI



- ▶ Erve Europe
- ▶ The Foschini Group
(Phase Eight, Whistles, Hobbs)

- ▶ River Island
- ▶ Primark

Ethical Trade Norway

- ▶ Norrøna
- ▶ Holzweiler
- ▶ Skogstad Sport
- ▶ Blåbær Production
- ▶ Trimtex
- ▶ Norwegian Concept



Solidaridad

- ▶ O'Neill **Solidaridad**
- ▶ Hema
- ▶ Hunkemoller

Better Work BetterWork

- ▶ Fast Retailing
(Comptoir des Cottonniers and Princesse tam tam)

Fair Wear

- ▶ Marc O'Polo
- ▶ Takko
- ▶ Olymp
- ▶ Pangaia
- ▶ Zeeman
- ▶ Hakro
- ▶ Kaya&Kato
- ▶ Tricorp Workwear
- ▶ Mammut
- ▶ Fond of **FAIR WEAR**
- ▶ s.Oliver
- ▶ Ganni
- ▶ Picture Organic Clothing

The Five Principles

Principle 1: Integration and Reporting

In order to implement changes to purchasing practices, the company has top leadership buy-in and commitment; has a thorough understanding of existing suppliers and purchasing systems and (possible) negative impact on human rights; and uses this to decide on priorities that feed into an agreed improvement plan. Responsible purchasing practices are integrated into the commercial and other relevant departments of a business.



Principle 2: Equal Partnership

The purchasing company and their suppliers respect each other as equal business partners; engage in respectful sourcing dialogue; and pursue win-win situations, with a shared responsibility to improve working conditions.



Principle 3: Collaborative Production Planning

Critical path and production planning is done collaboratively between the purchasing company and suppliers. Any changes are mutually agreed and cannot be detrimental to the supplier.



Principle 4: Fair Payment Terms

The purchasing company and suppliers agree on fair and transparent payment terms that include all relevant information regarding the payment procedure and do not place a disproportionate burden on one party. Contractual obligations are honoured at all times. Payments are made in full & on time.



Principle 5: Sustainable Costing

The costing procedures and levels of the purchasing company reflect and support wage increases and sustainable production. Prices cover all costs of production in line with responsible business conduct and allow for a reasonable and maintained supplier profit margin.



Key Takeaways

- **Multi-Stakeholder-Partnerships** can be a guidance for improving purchasing practices in own operations
- Can pave the way for structural changes
- Are a safe space to generate new ideas and learn from best-practices
- Can function as a gateway to international communities/organisations and help to bundle efforts towards implementation of projects

For more information on the LIC visit:

[The Common Framework \(cfrpp.org\)](http://cfrpp.org)



Partnership for Sustainable Textiles

c/o Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH
Friedrich-Ebert-Allee 32+36
53113 Bonn



+49 228 4460 3560



mail@textilbuendnis.com



www.textilbuendnis.com

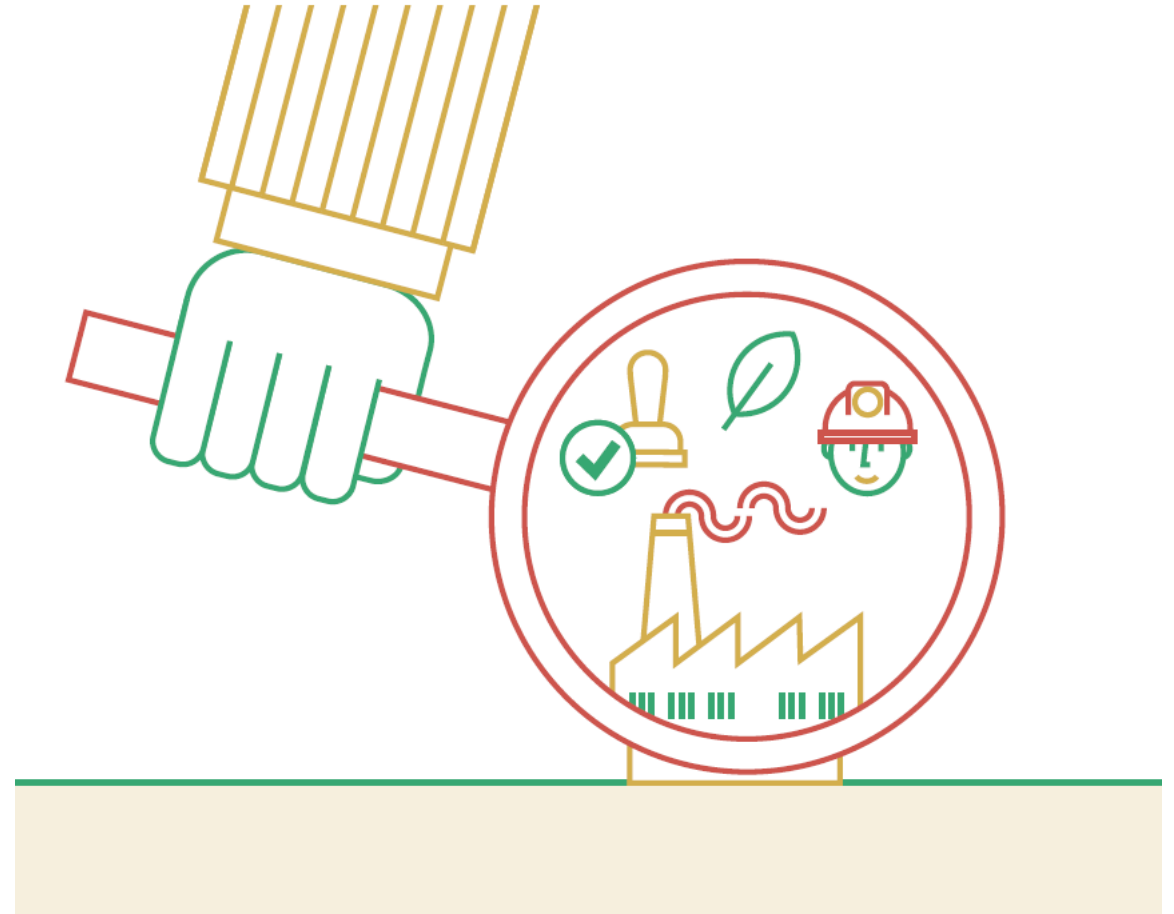


CONCLUSIONS

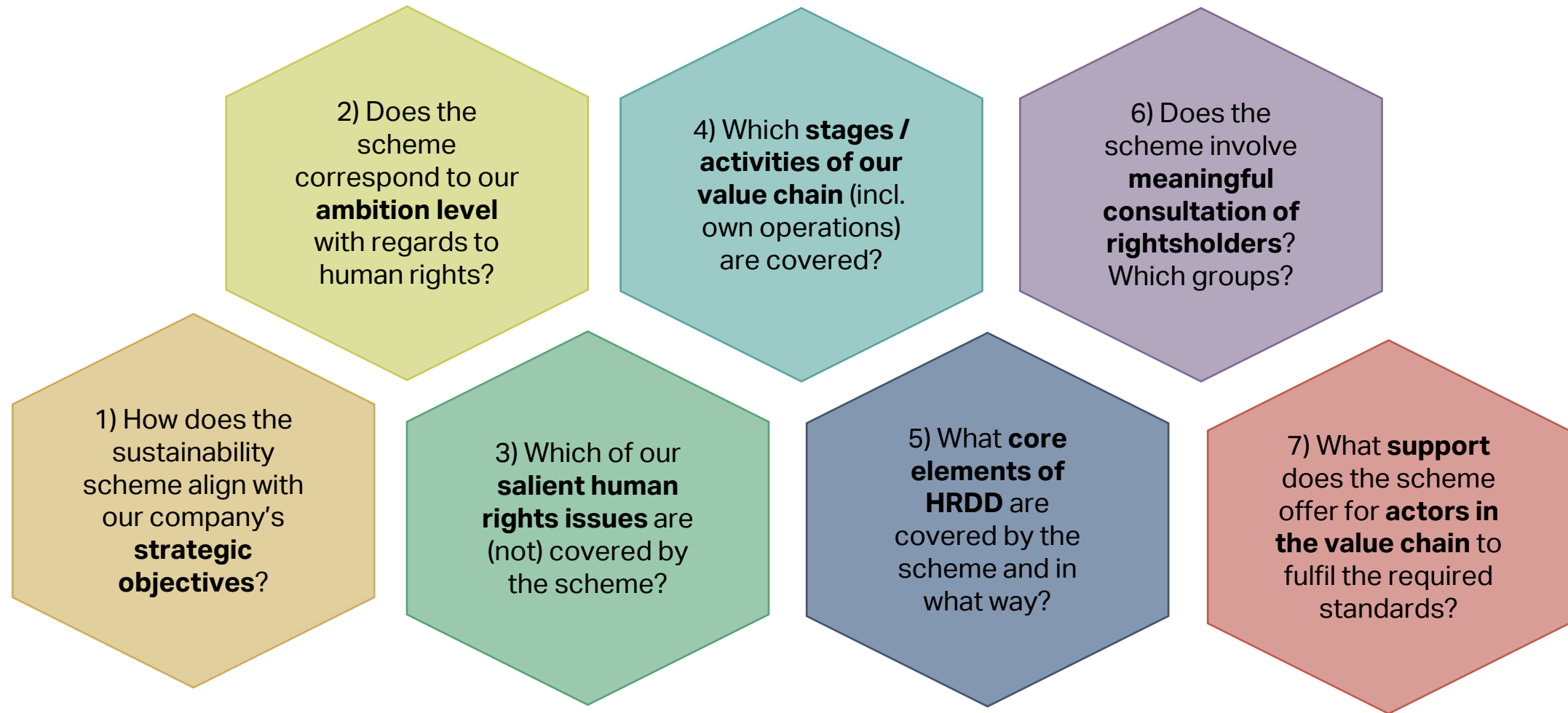
Applying sustainability schemes as part of HRDD

KEY TAKE-AWAYS

- Sustainability schemes can be **helpful to support, but not replace** your company's human rights due diligence
- The **responsibility** to respect human rights **always lies with the company** - it cannot be outsourced
- **Case-by-case analysis:** consider the contributions and limitations of specific sustainability scheme(s) with regards to your company's HRDD



GUIDING QUESTIONS TO SELECT THE RIGHT SUSTAINABILITY SCHEME(S) FOR YOUR COMPANY – And identify what else is needed



... LAST BUT NOT LEAST

Podcast Series on human rights due diligence – voices from the field: **NEW EPISODES**



Podcasts: <https://open.spotify.com/show/2CSD4XTUqyEtEifDsZk2Gt>

Webinar evaluation survey (2 min):



Survey: <https://focusright.typeform.com/to/KnLwm6P7>



Global Compact
Network
Switzerland & Liechtenstein



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

**focus
right**

Thank you for attending!

UN Global Compact Network Switzerland & Liechtenstein

Hegibachstrasse 47

8032 Zurich

info@globalcompact.ch