UN Forum on Business and Human Rights session: Beyond auditing: effective ways to address human rights violations in garment supply chains

18 November 11.40 – 13. 00, Room XII

Organisers: Council on Ethics for the Norwegian Government Pension Fund Global

Background

In 2014, the Council on Ethics for the Norwegian Government Pension Fund started a comprehensive analysis of Fund companies' involvement in human rights violations in the garment industry. This is work in progress, which has raised many issues such as the extent of buyers' responsibilities for preventing human rights violations in their supply chain and effective measures to that end. Whereas most brands have strict codes of conduct which they impose on their suppliers, the actual labour conditions in the factories seem to have improved little.

Main focus of the session:

Most garment production takes place in low cost countries with factories supplying many different brands and brands sourcing from many different factories. The brands have codes of conduct based on ILO conventions, and many of them make considerable efforts to verify that their first tier supplier comply with these standards. Still, labour rights violations, such as forced and excessive overtime work, unlawful wage deductions, barriers to the formation of trade unions and hazardous working conditions are widespread even at major brands' first tier suppliers, and certainly further down in their supply chains. Suppliers often do not comply with national labour laws and their practices are also inconsistent with most buyers' code of conduct. Is there from the suppliers' point of view no business case to be made for creating better working conditions?

The Guiding Principles on Business and Human Rights state that companies have 'the responsibility to respect human rights in their supply chains. The complex structures of global garment supply chains lead to challenges in implementing the Guiding Principles. Beyond the establishment of auditing systems, what changes have brands made in the way they operate their supply chains in order to ensure that they can fulfil their human rights obligations and are these changes adequate? How important is price, quality and lead time seen in relation to working conditions at the suppliers' factories, and how do sourcing practices promote or undermine decent working conditions? What should brands' role be in contributing to a social dialogue between workers and factory management or the formation of local unions and the negotiation of collective labour agreements? Now that many brands have accepted "living wage" as the proper wage standard for garment workers, what concrete steps are they taking towards implementation? Could the "Accord" model on building safety in Bangladesh also be used for raising wages?

This session aims at bringing together representatives of businesses, trade unions, non-governmental organisations and experts with extensive experience in the global garment industry to discuss opportunities, challenges, ways to scale up successful approaches and to transcend failed ones, and the fundamental question of how companies' human rights

obligations and their financial imperatives can be reconciled in the context of sprawling global production chains. The session will include short introductions by panellists with ample time for discussions and input from session participants.

Panelists

Lars Åke Bergqvist, Sustainability Business Expert, H&M, Sweden Kalpona Akter, Executive Director, Bangladesh Center for Workers Solidarity (BCWS) Scott Nova, Executive Director, Worker Rights Consortium, USA Margreet Vrieling, Head of Verification, Fair Wear Foundation, the Netherlands Ken Loo, Executive Director, The Garment Manufacturers Association in Cambodia

Moderator: Mark Taylor, Research Director, Fafo, Norway

Short introduction and background to the session by Mr. Johan H. Andresen, Chair, Council on Ethics

Panellists bios:

Margreet Vrieling: Head of Verification at Fair Wear Foundation, the Netherlands

Margreet Vrieling has a background in international cooperation with a focus on labour rights and the social aspects of sustainability. Before joining Fair Wear Foundation in 2010, she worked at the international department of a trade union for almost a decade, taking part in ILO conferences in the delegation of the Netherlands as well as taking part in the Committee of Experts of Fair Wear Foundation. Moving to Fair Wear Foundation meant shifting her focus from global policies and decent work, to working directly with clothing companies and factories on issues of corporate social responsibility and improving conditions on the factory floor. Initially, Margreet was responsible for FWF's work in Bangladesh and Turkey. Since 2013 Margreet is heading the verification team. She enjoys guiding brands in taking responsibility to monitor their supply chain, solving problems of workers related to their rights and is keen on discussing the changes necessary in the sector to remediate the challenging problems and improve the lives of garment workers.

Ken Loo: Executive Director of Garment Manufacturers Association in Cambodia

Ken Loo has a Ph.D in economics and finance and worked as a foreign exchange trader for several years in Singapore before moving to Cambodia in 2001. He joined the Garment Manufacturers Association in Cambodia as their Secretary-General in 2002 and has been with them since. He represents the employers within the garment and shoe industries in Cambodia when dealing with other stakeholders such as the government and trade unions.

Lars-Åke Bergqvist, Sustainability Business Expert, H&M, Sweden

Lars- Åke Bergqvist took up his employment at H&M 1985 as a buyer, and from the end of the 80's he was posted in H&M production offices in Hong Kong and Portugal responsible for sourcing and production planning in China, South Korea, Thailand and Portugal. Lars moved back to Sweden 1997 and joined at that time the team who initiated H&M's sustainability program. Lars has mainly been focusing on coordination of H&M's implementation of the Code of Conduct in the global supply chain. Recently his focus has changed to Industrial Relations and Human Rights in H&M's global supply chain.

Kalpona Akter, Executive Director, Bangladesh Center for Workers Solidarity (BCWS)

Kalpona Akter is the executive director of the Bangladesh Center for Worker Solidarity (BCWS), one of Bangladesh's most prominent labor rights advocacy organizations, and is herself a former child garment worker. She started working when she was 12 years old. At the age of 16, she become a union leader at her shop floor. She was fired by the factory in retaliation for her union activities and blacklisted by the industry. Kalpona then started working for a union, and in 2001 she co-founded the The Bangladesh Center for Worker Solidarity (BCWS). BCWS is regarded by the international labor rights movement and by multinational apparel companies as among the most effective grassroots labor organizations in the country. Levi Strauss & Co. calls BCWS "a globally respected labor rights organization, which has played a vital role in documenting and working to remedy labor violations in the apparel industry in Bangladesh." Kalpona is an internationally-recognized labor rights advocate and has traveled widely to speak about the deplorable conditions that Bangladeshi garment workers face every day. She has been interviewed extensively by local and international media like ABC, BBC, CBC, CBS, In These Times, International Business Times, New York Times, NPR, Salon, The Nation, and Wall Street Journal and including many European medias, particularly following the Tazreen fire and the Rana Plaza building collapse.

Scott Nova, Executive Director, Worker Rights Consortium, USA

Scott Nova is Executive Director of the Worker Rights Consortium (WRC), an independent labor rights monitoring organization. The WRC conducts investigations of working conditions in factories around the globe and works to correct labor rights abuses and protect the rights of workers who make apparel and other products – in particular, garments bearing the logos of the WRC's more than 175 affiliated universities and colleges. The organization played a central role in the conception, negotiation and implementation of the Accord on Fire and Building Safety in Bangladesh, the ground-breaking workplace safety initiative launched in the aftermath of the Rana Plaza factory building collapse. The WRC is the only factory monitoring organization operating at a global level that is financially independent of apparel brands, retailers and producers. Nova has helmed the WRC since its inception. He is a leading expert on the intersection of labor rights and global commerce and has written and spoken widely on the subject.

Moderator: Mark Taylor, Research Director, Fafo

Mark B. Taylor is a Researcher Director at the Fafo Research Foundation in Oslo. Mark's areas of research include regulatory and policy responses in the area of business and human rights, as well as the socio-legal dimensions of violence and conflict. His present research projects include Sustainable Market Actors and Responsible Trade (SMART, EU H2020) as well as research into stolen asset recovery in the wake of the Arab revolutions (Research Council, Norway). Mark has been an advisor and analyst for governments, business, civil society and multilateral organisations. In recent years, Mark has participated in multi-stakeholder initiatives to develop standards of human rights due diligence at the United Nations and OECD and has conducted research on National Action Plans for business and human rights. Mark is a member of the Expert Group of the Commerce, Crime and Human Rights project of the International Corporate Accountability Roundtable (ICAR) and a Trustee and member of the International Advisory Board of the Institute for Human Rights and Business. Mark is a former Managing Director at Fafo, led the establishment of the Norwegian Peacebuilding Resource Centre (Noref) and was a founding member of the Just Jobs Network. A regular lecturer at universities in Norway, Mark is also an active analyst in the media on issues related to international law, human rights, peace and conflict.

Mark holds a B.A. (honours) in Religious Studies from McGill University, in Montreal and an LL.M (cum laude) in Public International Law from Leiden University, The Netherlands (1996).

Introduction by Johan Andresen, Chair of the Council on Ethics

Johan H. Andresen holds an MBA from Rotterdam School of Management, and is the owner and chairman of Ferd AS. His previous positions include that of Product Manager for International Paper Co. in the USA and partner at the Tiedemann Group. He is a member of various boards, including Skandinaviske Enskilda Banken, Ungt Entreprenørskap i Norge, Junior Achievement – Young Enterprise Europe and the Norwegian Microfinance Initiative. Andresen also holds an appointment with the Confederation of Norwegian Enterprise's forum for family businesses and active ownership.