

REPORT 2017
INVESTING IN GIRLS
& WOMEN:
A GOOD BUSINESS

GIRLS
ADVOCACY
ALLIANCE



Girls first



Development Cooperation
Ministry of Foreign Affairs of the Netherlands

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Girls Advocacy Alliance - Investing in Girls...

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PREFACE

Three years ago, Plan Nederland organised the conference Investing in Girls: good for business! At that meeting, eight internationally operating Dutch companies expressed their commitment to step up their investments in vocational training and the creation of more and better jobs for girls and young women. Simply because it is the morally right and economically smart thing to do.

A lot has happened since then. In partnership with Accenture, we have provided skills trainings and job mediation to thousands of marginalised girls and young women in Asia and Latin America, and we will soon be extending this successful initiative to Africa. But we're in good company! A growing number of private sector actors acknowledge the need to protect the rights of their female workers, contractors and suppliers. Using its "soft power" the Dutch government has also encouraged industry stakeholders to negotiate and agree a set of five International Responsible Business Covenants, such as the Covenant for Sustainable Garments and Textiles, with others to come. And last but not least: the new global 2030 Agenda, with its associated 17 Sustainable Development Goals, includes an explicit goal on gender equality and has gender-related targets in several other goals.



However, we cannot be complacent about the progress achieved. Despite a strong business case and clear international frameworks, far too many companies continue to shy away from fully integrating gender equality and women's empowerment principles into their business strategies and practice. Even those companies that fully embrace these goals find it difficult to effectively prevent and address gender-related rights violations.

This report aims to provide practical guidance to companies on how to promote the rights of girls and young women throughout their entire supply chain. It is built upon previous work being done by Business for Social Responsibility (BSR) with support of the Dutch Ministry of Foreign Affairs, in particular around the inclusion of gender issues in supplier codes of conduct. Some of the good practices, as well as challenges experienced by Dutch companies in putting gender equality commitments into practice, are shown in the report as well. These findings were collected through a survey among Dutch companies and through additional interviews with several companies and other stakeholders. I would like to express my gratitude to these respondents and interviewees for their willingness to contribute their knowledge and expertise.

Despite the enormous challenges and difficulties in realising gender equality, I am confident that we can take the next step. As you will read in this report, the potential of multi-stakeholder collaboration has not yet fully been leveraged. By joining forces among companies, governments, trade unions, civil society organisations, and especially girls and young women themselves, we can ensure that by 2030 no girl or woman has been left behind.

Monique van 't Hek
Director Plan Nederland

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1. INTRODUCTION

The business case for investing in women is widely recognised by (international) organisations, financial institutions and banks. Smart entrepreneurs and investors know that investing in women pays. Women form an important sales market. With women in management, companies perform better. And if manufacturers invest in skills and good working conditions, and pay a fair and equal wage to male and female employees, productivity increases. Through better protection at work and better access to the labour market, the economic position of girls and young women improves. This benefits the whole family, and eventually the national economy as a whole. Moreover, in broadly endorsing the 2030 Agenda for Sustainable Development (the 2030 Agenda) and its associated 17 Sustainable Development Goals (SDGs), governments as well as non-governmental actors have acknowledged that gender equality is critical in realising the transformative changes that are needed at all levels.

THE CHALLENGE

Both men and women face complex and differentiated challenges in the workplace. However, human and labour rights issues within global supply chains have a strong gender dimension. Women are more likely to undertake a greater number of hours of unpaid work due to time spent on household chores and caring for children, elderly and the sick. Overall, they are more likely to work longer hours than men when both paid and unpaid work are taken into account. Reflecting unequal gender relations in society as a whole, women tend to be disproportionately represented in employment sectors that are informal, unprotected and unregulated. The lack of maternity protection and childcare support pushes women into the lowest-level jobs within global supply chains, often working at home as sub-contractors, where they are further isolated and unaware of their rights.

"DESPITE IMPORTANT PROGRESS IN PROMOTING GENDER EQUALITY, AN URGENT NEED REMAINS TO ADDRESS STRUCTURAL BARRIERS TO WOMEN'S ECONOMIC EMPOWERMENT AND FULL INCLUSION IN ECONOMIC ACTIVITY"

(FORMER UN SECRETARY-GENERAL BAN KI-MOON, 2016).

Gender stereotypes, discriminatory norms and beliefs about the expected behaviour of men and women in the workplace hamper women's economic and social advancement. Women are too often denied access to basic education and health care and face gender gaps in accessing digital, financial and property assets. They are also often under-represented in political and economic decision-making processes. Furthermore, many girls and women are subject to various forms of violence at home, schools, in public spaces and on the workfloor.

These systemic constraints highlight the importance of adopting a gender lens in supply chain management and compliance.

PUBLIC AND PRIVATE SECTOR COMMITMENT: A CALL TO ACTION

Addressing gender inequality in the economic sector is a prerequisite for realising women's rights and building an inclusive and sustainable economy. This requires focused efforts from government, the private sector and civil society as a whole.

The international community has a well-defined framework of rights and norms established by various organs of the United Nations (UN), notably the treaties and conventions of the International Labour Organization (ILO). As recently also put forward by the UN Secretary-General's High-Level Panel (UNHLP) on Women's Economic Empowerment, businesses should take actions to achieve gender equality and empower women in their relationships with suppliers. In September 2016, the UNHLP presented a 'Call to Action' to address the specific issues that affect women as set out in SDG 5 (Achieve gender equality and empower all women and girls), within the broader framework of implementing the 2030 Agenda's promise to "leave no one behind" (see box).

There is growing recognition that the private sector has a central role to play in achieving SDG 5, as well as related global and national-level targets. The launch of numerous private sector initiatives to promote women's economic development, including Women Empowerment Principles (WEP), Deliver for Good, BSR HerProject and Better Work, demonstrates that a growing number of large corporations, as well as small- and medium-sized enterprises (SMEs) are already actively engaged in advancing gender equality and recognise the unique challenges as well as opportunities for girls and women as drivers of development. To realise their aims, however, these initiatives will need to reorient their business models towards inclusive practices that value, respect and champion the contribution of women. In other words, it is the responsibility of the private sector to provide dignified working conditions and equal opportunities for women and men.

It is time to stop paying lip service to gender equality. Concrete action is needed, now!

THE SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development goals (SDGs) – also commonly known as the Global Goals – set out the 17 global development priorities adopted by almost 200 UN member states in September 2015, as part of the overarching 2030 Agenda for Sustainable Development. Unlike its predecessor framework, the Millennium Development Goals (MDGs), the 2030 Agenda is universal and comprehensive, pays greater attention to human rights and calls for action by all countries to ensure that no one is left behind.

By integrating the three pillars of economy, society and environment, the SDGs provide an important opportunity for actors across the public, civil society and private sector spectrum to abandon traditional “silo” approaches and work together towards a more sustainable and inclusive world, while also positively impacting the lives of girls and women.

The SDGs include a stand-alone goal to achieve gender equality and empower all women and girls by 2030 (SDG 5). The role of gender equity in meeting other 2030 Agenda targets is also recognised in several other Global Goals, in particular SDG 8 (Decent work and economic growth), 10 (Reduced inequalities) and 17 (Partnerships for the goals).

Source: Deliver for Good; UN Secretary-General's High-Level Panel (HLP) on Women's Economic Empowerment, 2016. The Girls Advocacy Alliance

The Girls Advocacy Alliance (GAA) is a strategic partnership between the Dutch ministry of Foreign Affairs and three non-governmental organisations: Plan Nederland, Defence for Children – ECPAT and Terre des Hommes. The Alliance envisions a world wherein all girls and young women enjoy equal rights and opportunities, and benefit equally from economic development.

The Alliance is working to mitigate gender-based violence in the workplace, combat economic exclusion and increase access to the labour market for girls and young women. GAA aims to create more awareness on these themes among Dutch internationally operating and/or sourcing companies and to advocate for the introduction of better policies and practices to promote gender equality in their supply chains. Together with corporate partners, business networks and trade unions, the GAA also aims to provide companies with practical advice and tools for empowering young women and girls. It draws on business cases and best practices from front runners in three selected sectors – garment, tourism and agriculture – with a focus on ten countries (Bangladesh, Ethiopia, Ghana, India, Kenya, Liberia, Nepal, Uganda, Sierra Leone and the Philippines).

THE PLAN-ACCENTURE ONLINE SURVEY

In July-August 2017, Plan Nederland and Accenture B.V conducted a survey on gender policies and practices of Dutch-base international operating companies. The objective was to gain a better understanding of the main challenges as well as specific measures being taken to improve the situation of girls and young women in international supply chains. The online survey was sponsored by the Dutch Ministry of Foreign Affairs.

The survey questions were organised in nine categories, each corresponding to specific labour standards, and in line with the codes of conduct that govern companies' relationships with suppliers and other value chain partners. Additional questions were raised with respect to companies' involvement in partnerships and programmes to advance the empowerment of girls and women. 607 companies participated in the survey, 77 stopped half-way and 23 completed the survey. In feedback that was received, some of the companies that did not complete the survey indicated that gender is a relatively unfamiliar topic for them. Other explanations given by companies highlighted information gaps with regard to suppliers' policies and practices, or their lack of leverage, as individual companies, to influence behaviour across their supply chains. Some companies stated that they did not answer some of the survey-questions because they did not want to provide the information about their policies and practices. Others indicated the questionnaire was too long. Plan will take this feedback into account for future research. To complement the survey results, additional desk research was done, as well as (in-depth) interviews with representatives of three companies, and other stakeholders (such as VNO-NCW, SER, ASN-Bank, NABC, MoFA, Fair Wear Foundation, Global Compact, CNV Internationaal and the OECD) and are highlighted throughout this report.

OVERVIEW OF THE REPORT

This report is intended for two main groups of users: private companies that operate in international supply chains and multi-stakeholder partnerships and initiatives that work towards more inclusive and sustainable global supply chains. The next chapter gives some general background information on the topic of gender equality, women as a core part of value chains, and the business case for investing in gender equality. This is followed by a discussion of supplier codes of conduct and how companies can use these effectively to promote gender equality across their supply chains.

Chapter four explores specific insights into a variety of gender-specific problems in global supply chains, organised around nine internationally recognised labour standards. The chapter focuses on the experiences of female employees of first-tier suppliers in global supply chains. In addition to discussing the overall global context, we also draw on specific case studies and interviews with key stakeholders to shed light on specific issues that companies struggle with, or where they are making progress. Relevant sections of the Plan-Accenture survey are also highlighted to provide insights on how some companies perceive these issues. The report is concluded with some practical suggestions and reflections on the importance of expanding multi-stakeholder dialogue and partnerships to advance women's economic empowerment.

We close by announcing two concrete opportunities for private companies and other stakeholders to join Plan Nederland on a collaborative initiative to scale up investments in girls and young women.

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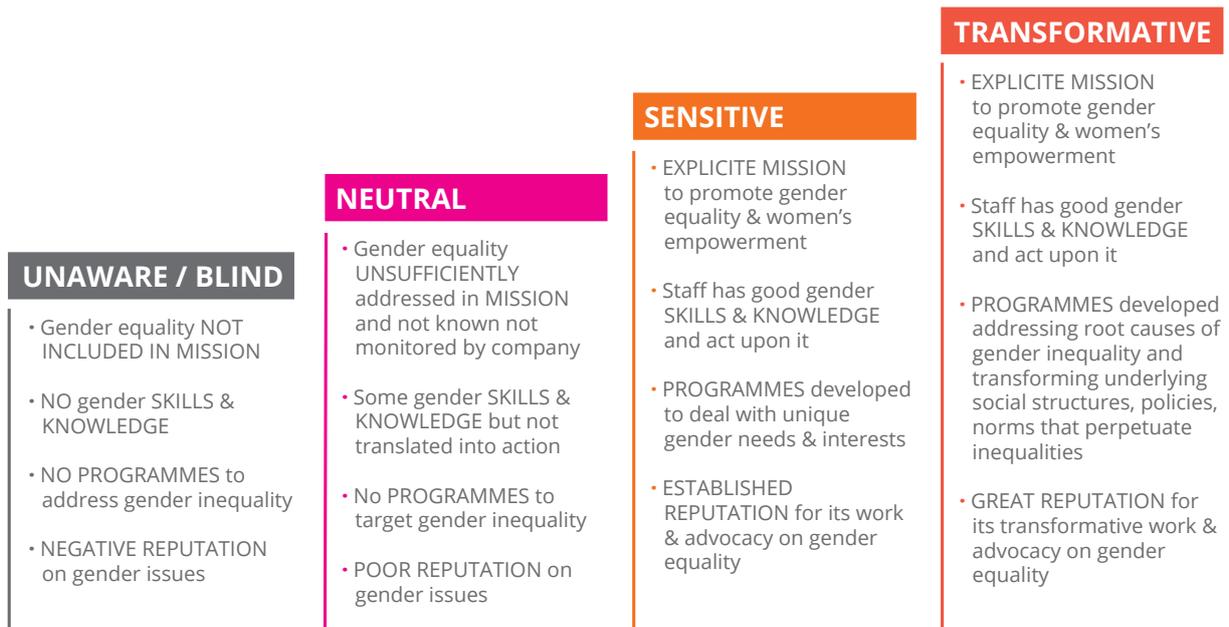
2. GENDER EQUALITY IN GLOBAL SUPPLY CHAINS



2.1 GENDER EQUALITY

Gender is the socially constructed definition of women and men defined in a cultural context. Gender determines why women and men experience differences in roles and tasks in (re) productive work, access to resources, access to benefits and opportunities to make decisions. It follows that treating men and women differently because of their gender is a discriminatory practice. To give an example: it is unimaginable today to fire a Dutch female civil servant the day after getting married. This was however fully accepted practice in 1955.

Gender equality refers to equal rights, responsibilities and opportunities that all persons should enjoy, regardless of whether one is born male or female. Promoting gender equality is also about paying explicit attention to women's needs and perspectives. It might be helpful to position your company on a gender continuum, or "maturity model," as highlighted in the diagram below. This model helps you determine if, and how well, your strategy currently is in identifying and addressing gender considerations, and how you can move towards more transformative gender planning.



Gender equality: In their own words

The companies that participated in the Plan-Accenture survey did a self-assessment based on the above gender continuum. In response to a question asking companies to indicate where they fit on this gender continuum, roughly three-quarters of respondents stated that they have gender equality targets in place. Around 27% of respondents rated their gender policies as "transformative," (last column of the continuum) while an equal number (27%) of respondents described their company's gender policy as "unaware or blind," implying that there are no gender policies in place at all, or staff are unaware that they exist. As one respondent commented, "our line of business is a 'men's' world."

Some of the gender targets mentioned by respondents include: having equal participation of men and women in the workforce; increasing the number of women in leadership positions, with some companies having a specific target of at least 50% women in senior management positions; empowering female staff; and creating awareness on gender equality among both



male and female staff. One company reported that they had signed the **Talent to the Top** Charter, which aims to enhance diversity and inclusion in Dutch companies. Some of the smaller companies explained that they simply hire the most suitable person for the job, or that partners should fit other criteria of their organisation. One respondent expressed support for Plan's ongoing projects to empower girls in developing countries.

With regard to gender awareness among employees, one respondent mentioned their company's participation in the 'Women in Leadership' programme, which addresses issues faced by women in business, such as challenges in climbing the corporate ladder.

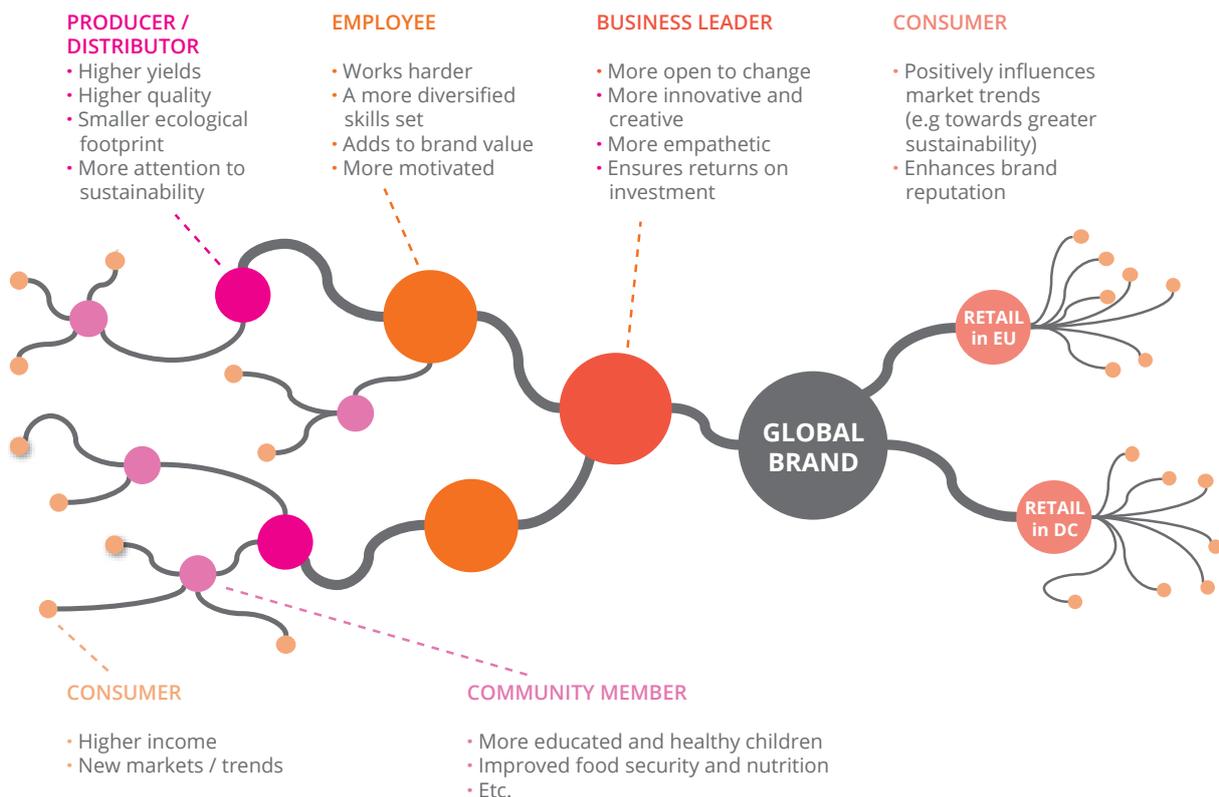


2.2 WOMEN ACROSS THE VALUE CHAIN

Value chains come in a dazzling array of varieties: a global electronics brand with hundreds of retail outlets; a restaurant chain with a network of franchisees; the head office of a multinational clothing company with centralised design, marketing and purchasing functions that depend on local merchandisers in low-income countries to identify first tier suppliers. And the list goes on.

Like a set of Russian nesting dolls, however, what is easily visible on the surface masks a complex web of direct and indirect business relationships. In the case of the clothing company, for example, the first-tier (sometimes preferred) suppliers may source materials from second tier suppliers (such as yarn manufacturers), who in turn buy cotton and other raw materials from local or regional farms. And the story does not end here because the value chain will also be dependent on many other service providers, including logistical companies, transporters, auditors and trade associations. In case of the food or flower sector the chain consists of smallholder farmers (who produce small quantities of coffee, fruits, etc.) and/or large-scale commercial farmers supplying products to local or regional traders. In turn, the traders may ship their stocks to EU-based food processors, who may sell these on to wholesalers. Local retailers sourcing their supplies from such wholesalers may in turn service the end consumer.

In this report, we will focus on the global supply chains of Dutch-owned and/or incorporated international companies whose core customer base is in the Netherlands and Europe. Think of the Albert Heijn customer, buying Ethiopian coffee or high-schoolers looking for bargains at fashion retailer H&M.



Women and girls fulfil many different roles in these complex business networks. They may be small-scale entrepreneurs in the informal or the formal sector, self-employed seamstresses, farm labourers, factory workers, administrative staff, supervisors, or high-level managers. But they are also consumers who may buy from these global brands.

Many private companies – both large and small – increasingly recognise that it makes business sense to invest in women. The diagram on the previous page shows that women play an important role across the whole chain and summarises some of the incentives and opportunities that are driving a growing number of private sector actors to adopt practices that are more inclusive of, and empowering for women.



2.3 WHY INVESTING IN GENDER EQUALITY IS SMART ECONOMICS

Investing in women and girls – and the cross-cutting issues of health, economics, education, and gender equality – creates a ripple effect of positive outcomes throughout societies. It is also one of the most promising strategies in the fight against inequality and poverty. Beyond human rights and equity concerns, there is a clear business case for addressing human and labour rights within supply chains, and hence advancing women's economic empowerment at the global, national and firm level.

Societal impact

A broad range of development organisations, financial institutions and banks acknowledge the contribution that women make to the welfare of their families, communities and national economies. Compared to men, women often invest a higher proportion of their earnings in their children and families, including for health and education. National economies therefore benefit when women, as a substantial part of the population, can compete equitably and realise their full potential. [McKinsey Global Institute](#) estimates that if gender gaps at the workplace are closed, so that women in every country are able to play an identical role to men in markets, as much as US\$12 trillion would be added to the global economy by 2025. [The International Finance Corporation \(IFC\)](#) estimates that closing gender gaps in the agribusiness sector could deliver an additional US\$1.58 billion in income annually. Similarly, a study by the International Monetary Fund (IMF) found that gender inequality leads to a smaller variety of goods and services that are produced and exported by countries.

Impact at company level

Businesses benefit strongly from gender equality through:

Increased productivity, profitability and stability

Investing in gender equality pays off. According to the 2016 UNHLP report on Women's Economic Empowerment, one more woman in senior management or on the corporate board is associated with higher return on assets. Companies with gender-diverse boards consistently outperform male-dominated management structures in terms of share price performance during times of crisis and volatility. The ILO/IFC Better Work Programme has found that improving working conditions is also closely linked with employer profitability. In Cambodian factories, improvements in working conditions decreased in-line product rejections by 39%. Women are often found to be loyal and reliable employees, largely because, compared to men, they tend to feel more responsible for providing for their families. Offering healthcare for women and their children at the workplace is linked to a three- to four-fold return on investment, according to studies in Bangladesh and Egypt (IFC).

Reduced costs by a lower turnover of employees and safer and less stressful work environment

A decent, safe and non-violent workplace not only leads to a higher productivity, but also to reduced costs. An unsafe and violent work environment leads to physical, emotional and direct financial costs, for example through illness and absenteeism, high employee turnover,

"THE BUSINESS CASE FOR GENDER EQUALITY IS COMPELLING. INVESTING IN WOMEN IS INDEED SMART ECONOMICS."

PHILIPPE LE HOUÉROU, EXECUTIVE VICE PRESIDENT AND CEO, INTERNATIONAL FINANCE CORPORATION, IN 'GENDER SMART BUSINESS SOLUTIONS'

workplace accidents, and disability, or even death. Companies also incur costs when recruiting new staff, in addition to various indirect costs such as decreased functionality and performance of affected employees.

Companies that are committed to ensuring a safe and happy workplace for women employees have higher staff loyalty, more motivated employees, fewer workplace conflicts and tensions, decreased absenteeism and staff turnover, and a higher quality of work. For example, at Nalt Enterprise, a Vietnamese garment manufacturer, staff turnover fell by one-third after the establishment of a women's clinic and a day-care for employees' children (IFC 2013).

Access to market opportunities

Women control the majority of global consumer spending, currently estimated at US\$29 trillion and expected to rise to US\$40 trillion by 2018. Gender-disaggregated marketing strategies, as well as tailored products and services can help to access and maintain a loyal female customer base and can lead to new markets.

More innovation

More staff diversity and female leadership is also associated with a more open and creative work atmosphere, and nurtures innovation and knowledge sharing. In general, gender diversity across the organisation and the value chain contributes to better business performance as women offer new perspectives, ideas and skills (for example an eye for detail, hygiene, organisation and design). It also contributes to a greater variety of product ideas and process improvements, and attracts and retains new talent.

Multinational cosmetics company L'Oréal works to promote gender equality as a strategic lever to increase wellbeing for its workers, fuel their creativity and innovation, and boost the company's overall performance and growth. In the L'Oréal Group, women represent 63% of executives, 33% of the Executive Committee members and 46% of the members of the Board of Directors. At the end of 2016, 58% of L'Oréal Brands were managed by women, which led to the company being honoured with Equeleap award for Gender Equality in June 2017.

Strengthened brand image and reputation

More than ever before, the actions of companies and their supply chains are coming under increased public scrutiny. Customers and employees, as well as governments, employer representatives, unions and non-governmental organisations (NGOs) expect businesses to respect human rights and adhere to responsible codes of conduct. Companies are also under pressure to maintain credible and coherent communication channels with a wider range of stakeholders. A poor public image, for example due to serious violation of labour rights in the workplace, influences consumers' buying habits and erodes a company's relationship with other stakeholders. Bad publicity also has negative consequences for business continuity and contributes to difficulties in recruiting and retaining staff.



Women's empowerment in Dutch-owned businesses: In their own words

The results of the Plan-Accenture survey underscore these broad messages. It is interesting to see that 50% of respondents said they were aware of the business case for including women in their supply chain. However, 27 % were not aware of the benefits, while the rest were unsure.

With regard to actions already taken to empower women in the workplace, 55% of respondents said they are involved in skills development, job creation and economic empowerment programmes for girls and women (41% said they do not have special programmes while 4% were unsure). However, the picture for the supply chain as a whole was much less clear: only 5% of respondents were confident that their suppliers pay attention to gender equity; 36% said their suppliers have introduced "some" women-friendly initiatives; while 50% were unsure.

These initial findings illustrate the importance of awareness raising and advocacy towards businesses to demonstrate the links between good gender practices and a healthy balance sheet.

To conclude, investing in gender equality helps your company to become more competitive and to develop new markets. Among other things, it requires respecting the human rights of workers, and recognising that women add value to your business processes and outputs, and hence it pays to strengthen their capacities and qualities. Some of the concrete rewards for this investment include better productivity, effectiveness and efficiency in your operations.

In sum

As a company director, what can you do to marshal all this evidence from practice to achieve the win-win outcome of higher profits as well as a more inclusive supply chain?

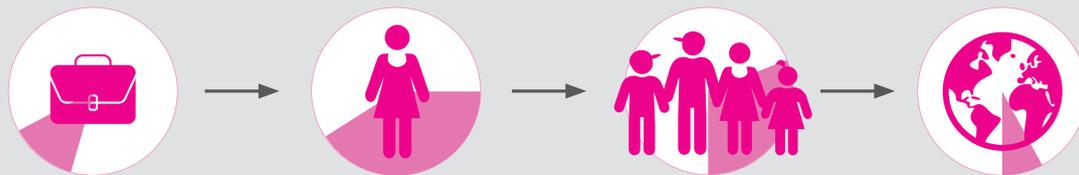
Five key conclusions emerge from the experiences discussed in this chapter:

1. Explore opportunities to invest in women, both direct employees as well as in the supply chain. It will improve your productivity and efficiency, as well as the quality and value of your products.
2. Create a calm, orderly and safe workplace as this will have a direct impact on your staff morale and productivity.
3. Adopt a gender-disaggregated approach in your marketing. Find out what women and men feel about your products. Use this feedback to tailor your products and messaging.
4. Encourage women's creativity and leadership as it will enhance innovation and positively influence your returns on investment.
5. Work with other companies and stakeholders to protect human rights and improve gender equality in your sphere of influence. This is an intrinsic part of your Corporate Social Responsibility (CSR) and will not only have a positive effect on your company's reputation, but also help to attract customers and investment.

"EMPOWERING AND EDUCATING ADOLESCENT GIRLS IS ONE OF THE BEST WAYS TO STOP POVERTY FROM BEING PASSED FROM GENERATION TO GENERATION AND BE TRANSFORMATIONAL FOR ENTIRE SOCIETIES."

WORLD BANK DIRECTOR,
YIM JONG KIM

Investing in women and girls is smart economics for business, women, family and society as a whole



BUSINESS

More qualified & motivated staff

Lower absence rates (lower costs)

Higher staff retention
Increased labour productivity

Improved product quality
Innovative impulse

Higher profitability

Strengthened brand reputation

Compliance with regulations

WOMEN

Higher income

More empowerment
Higher self esteem

Better health

Less trauma

Access to finance

FAMILY

Higher family income

More educational opportunities for kids

Improved food security and nutrition

Healthier households

Child labour prevented

Reduction in child marriages

SOCIETY

Higher GDP

More educated children

Healthy society

Advancing societal goals

The business case is clear, and has internationally been embraced. Companies, governments, NGOs, and UN agencies are seeking for forms of international collaborations. One international initiative advancing societal goals is the UN Global Compact, promoting the women's empowerment principles (see the box for more information).

UN GLOBAL COMPACT AND THE WOMEN'S EMPOWERMENT PRINCIPLES

The UN Global Compact is the world's largest corporate sustainability initiative to align strategies and operations with ten universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals. It is a voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support UN goals. UN Global Compact counts 7,000 corporate signatories in 135 countries. Herewith it is the world's largest voluntary corporate sustainability initiative.

For more information on the UN Global Compact, please visit www.unglobalcompact.org.

One of the sustainability principles UNGC promotes are the Women's Empowerment Principles (WEP), which is the product of collaboration between the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) and the UN Global Compact. The WEP bring a needed gender "lens" to the Global Compact's 10 Principles and help articulate the gender dimension of good corporate citizenship and business' role in sustainable development. They were launched in March 2010. More than 1,230 companies have signed up to these principles.

The WEP offer guidance on how to empower women in the workplace, marketplace and community. Seven principles can guide businesses on how to promote gender equality and empower women:

1. Establish high-level corporate leadership for gender equality
2. Treat all women and men fairly at work: respect and support human rights and non-discrimination
3. Ensure health, safety and wellbeing of all women and men workers
4. Promote education, training, and professional development for women
5. Implement enterprise development, supply chain and marketing practices that empower women
6. Promote equality throughout community initiatives and advocacy
7. Measure and publicly report on progress

The WEP provide an important and targeted tool for building strong partnerships with the private sector to advance gender equality and women's empowerment.

Source: <http://weprinciples.unglobalcompact.org/Site/Overview/>



See this video for more information on the WEPs Gender Gap Analysis Tool.



3. SUPPLIER CODES OF CONDUCT AS GOOD BUSINESS PRACTICE



Companies often use “codes of conduct” to articulate the core principles upon which their strategy and operations are built, and to communicate these internally, as well as to their consumers and suppliers. Among other topics, codes of conduct spell out how a company wants to do business and how it contributes to sustainability and human rights across its activities as well as those of its suppliers. A code of conduct can also specify the minimum standards expected of suppliers (and other actors in the chain). In this way supplier codes of conduct can be used as both the “carrot” and the “stick” to ensure compliance across the company’s broader sphere of orbit: “comply and you can become our supplier, don’t comply and we will help you fix your operations, but if insufficient progress is shown in due course we will terminate our business relationship.”

Gender equality and women’s empowerment objectives, too, should be spelled out in codes of conduct. However, to effectively address the complex social dynamics that are deeply interwoven in gender relations and to reap the benefits, as shown in the business case in Chapter 2, there is need to apply a range of policy instruments to address the specific business context and workplace challenges that the company faces. In other words, there is no “one-size-fits-all” solution to achieving gender equality. Each company will need to develop a responsive and integrated strategy that responds to the specific gender dynamics that are present in the supply chain. Such a strategy could include: identifying entry points to address women’s needs and constraints; developing gender-sensitive sourcing practices; securing buy-in of suppliers and other business partners; and building the capacity of suppliers to adopt gender-sensitive practices. Ultimately, the choice of instruments must contribute to positive changes for women workers in the global supply chains.

Supplier codes of conduct

A supplier code of conduct is one specific policy instrument that can be implemented within a broader CSR framework. If it is clearly formulated and applied consistently such an instrument can play a role in eliminating the adverse effects of gender inequality by addressing its deep root causes in the workplace and even society at large.

Supplier codes of conduct can be used by a company to positively influence its first- and second-tier suppliers, and through them the (informal) suppliers further upstream of the value chain. The latter can be enforced if these suppliers apply them in their own codes of conducts towards their upstream suppliers.

There are several global standards that help companies to formulate their supplier codes of conduct, of which one of the most commonly used is the Business Social Compliance Initiative (BSCI). A related standard has been developed by the Business for Social Responsibility (BSR) Association. Another example of a supplier code of conduct is the SA-8000, which goes beyond the BSCI by providing an internationally recognised and valued certificate. Initially set up as a multi-stakeholder initiative, the SA-8000 has evolved into an overall framework that helps certified organisations demonstrate their dedication to the fair treatment of workers across industries and in any country.

Businesses can combine these tools to meet their specific Corporate Social Responsibility (CSR) targets, or capacity constraints. For example BSR tools can be used to strengthen the gender dimensions in their supplier codes of conduct.

SUPPORT TOOLS FOR DEVELOPING SUPPLIER CODES OF CONDUCT

The BSCI Code of Conduct draws on several international labour standards that aim to protect workers' rights such as the ILO's conventions and declarations, the UN Guiding Principles on Business and Human Rights, and the Organization for Economic Co-operation and Development (OECD) guidelines for multinational enterprises. It sets out the following 11 core labour rights, which participants and their business partners commit to implementing within their supply chains: 1. The Rights of Freedom of Association and Collective Bargaining; 2. Fair Remuneration; 3. Occupational Health and Safety; 4. Special Protection for Young Workers; 5. No Bonded Labour; 6. Ethical Business Behaviour; 7. No Discrimination; 8. Decent Working Hours; 9. No Child Labour; 10. No Precarious Employment; 11. Protection of the Environment.

BSCI Chair Monique Ansink ([see full interview on page 38](#)) describes the industry standard as a useful tool for companies to raise awareness about labour and gender rights to their employees, as well as their supply chains. "It contributes to a continuous improvement process, which by the way is never finished," she adds. She further notes that given the limited leverage that individual companies have to initiate social changes, BSCI has convening power and supports capacity building for members and for factories worldwide. "We have also established a very useful database that you can use to monitor your progress," she adds, which means that as a company, "you do not have to reinvent the wheel yourself, but you can rely others who have the expertise."

Source: [BSCI](#)

Business for Social Responsibility (BSR) is an international non-profit business association that promotes CSR across diverse industries, including consumer products, agriculture, transportation, information and communications. The Association has developed specific guidance to help its members undertake gender-sensitive analyses of their codes of conduct principles, with a primary focus on empowering women. Among other support, BSR makes recommendations on how companies can strengthen their clauses to promote gender equality in the workplace, with a specific focus on developing and emerging markets-based supply chains.

Source: [BSR](#)

The SA-8000 Standard measures social performance in the following eight areas: 1) child labour; 2) forced or compulsory labour; 3) health and safety; 4) Freedom of Association and the Right to Collective Bargaining; 5) discrimination; 6) disciplinary practices; 7) working hours; and 8) remuneration. SA-8000 also reflects labour provisions contained within the Universal Declaration of Human Rights and various ILO treaties and conventions. The SA-8000 website describes this standard as "appreciated by brands and industry leaders for its rigorous approach to ensuring the highest quality of social compliance in their supply chains, taking into account business interests."

Source: [SA-8000](#)

Challenges for companies in implementing supplier codes of conduct

Even though supplier codes of conduct are an important policy instrument, there are a number of practical challenges that companies face in applying these tools. We discuss three of these challenges below.

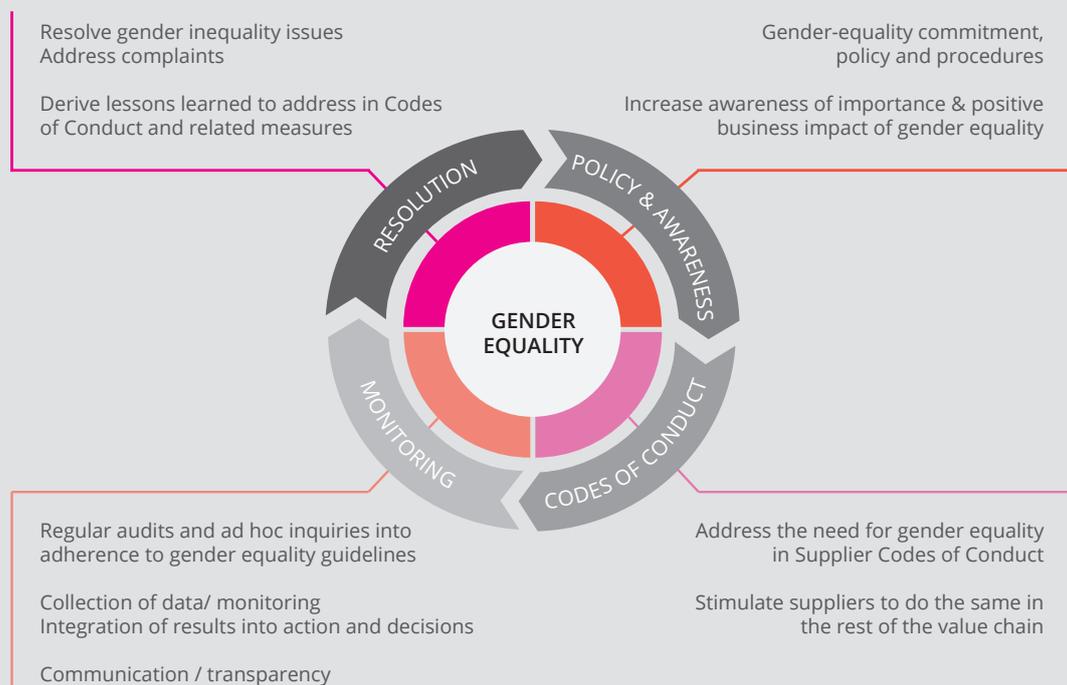
Monitoring business practices

The first challenge for your company as you set out to operationalise your supplier code of conduct relates to monitoring "if and to what extent" the code of conduct is being applied by your suppliers. Does your company have the capacity to effectively monitor business practices throughout the supply chain? And are you able to perform comprehensive audits beyond your first tier of suppliers?

A problem frequently associated with audit processes, is that they tend to focus on documenting existing labour problems without examining why these problems exist and how they can be resolved. An analysis of nearly 17,000 supplier audits by Harvard Business School in 2016 revealed a number of interrelated problems that hamper the effectiveness of such processes. One of the issues highlighted by the study is the growing practice where global supply chains hire private social auditors to assess factory conditions and risks, whereas little is known about what influences auditors' ability to identify and report gender-related problems. The analysis found, for example, that auditors report fewer violations when individual auditors have visited the factory before, when audit teams are less experienced or insufficiently trained, when audit teams are all-male, and when audits are paid for by the audited supplier. The gender composition of the audit team therefore influences the outcomes of the audits, with more violations being reported by mixed teams.

The international community has a well-defined body of rights and norms established by the UN, the ILO treaties and conventions, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines. The new overarching global agenda for sustainable development, the 2030 Agenda, recognises gender as a cross-cutting issue and highlights the importance of working towards decent work as well as gender equality. With this "body of rights and norms" companies are expected – by governments and NGOs – to identify, address and prevent the risk of adverse impacts on human rights linked to their business activities. Businesses must investigate the extent to which they could be, or are implicated in human rights, environmental or animal welfare violations. This requires going beyond routine audits to conduct thorough human rights due diligence, as outlined in the box below.

Due diligence



Due diligence is an indispensable instrument in the continuous cycle that can be applied to address and solve gender gaps in the work place, as shown in the diagram. The first step in the cycle is awareness of the underlying constraint or challenge, which leads to the formulation of policy instruments to correct the problem. A supplier code of conduct is one such corrective tool, based on which you can monitor the degree of suppliers' compliance and identify root causes of non-compliance. Through a continuous process of monitoring and iterative improvements, your company will gradually improve its business practices, including its record on gender equality.

Due diligence can take a variety of forms and draw on many different sources. A due diligence process allows businesses and their suppliers to gain a complete and fact-based picture of actual working practices and their root causes in their supply chains. That in turn helps value chain actors to individually and jointly draft an action plan to better adhere to the gender equality policies. Due diligence is an ongoing process.

There are a number of enabling conditions for an effective due diligence process. First, you will need strong commitment at the top of your company that your codes of conduct matter and that non-compliance is unacceptable. This sends out a strong signal to lower-level managers, supervisors, and workers in your company as well as your supplier networks.

Next, the scope and quality of the due diligence process, in combination with the required stakeholder dialogue, need to match the multi-faceted nature of gender equality. This can be done by: identifying the most pressing “hot spots” of gender inequality (per country or preferably per supplier); mapping and weighing these risks for each hot spot for both your company as well as for your suppliers; and assessing the root causes for the identified hot spots of gender inequality.

Finally, the outcomes of such a due diligence process will need to be translated into actionable advice and practical measures on how your own company and/or your network of first and lower-tier suppliers can move towards full gender equality. Examples of such measures include actions to solve a concrete problem faced (such as providing women with a clean and functional bathroom) or introducing training and awareness campaigns aimed at fundamentally changing gender-insensitive behaviour.

“BUSINESSES SHOULD PAY DUE ATTENTION TO ENSURE THAT THEY AVOID UNDERMINING THE SDGs BY CAUSING OR CONTRIBUTING TO NEGATIVE IMPACTS.” (...) COMPANIES SHOULD PRIORITIZE THEIR EFFORTS ON WHERE THEIR NEGATIVE IMPACTS ON THE SDGs ARE MOST SEVERE.”

ROEL NIEUWENKAMP, CHAIR OF THE OECD WORKING PARTY ON RESPONSIBLE BUSINESS CONDUCT

Purchasing practices

Another essential problem that is not easily addressed through supplier codes of conduct, or due diligence processes, is that companies may simply pay lip service to such instruments – for example by requiring their suppliers to respect their codes of conduct, while at the same time putting pressure on the same suppliers through companies’ purchasing practices.

A recent ILO/Ethical Trade Initiative survey of 1,500 supplier companies in 87 countries, concluded that buyer purchasing practices can put pressure on production volumes, delivery schedules, and prices, thus impacting the capacity of a supplier to guarantee decent working conditions and wages. The study found that 40% of suppliers are likely to sub-contract in order to lower their costs, while 52% of companies accepted orders below normal costs of production. Late orders, last minute changes and shorter lead times are increasingly commonplace, especially in the fashion industry where profits are driven by quick reproduction of catwalk designs and shorter seasons. All these pressures contribute to highly demanding and frequently unrealistic production targets, unplanned and excessive overtime work, and additional costs for suppliers. This in turn places immense pressure across the supply chain, with poor working conditions, delayed payment, harassment, violence and discrimination becoming increasingly common. Factory and farm managers also pass on the costs and risks of the weakest links in the chain: their workers. Faced with fluctuating orders and falling prices, they hire workers on short term contracts,

“NGOs ARE CRUCIAL IN DUE DILIGENCE PROCESSES OF DUTCH, INTERNATIONAL PRIVATE SECTOR”

HUGO VON MEIJENFELD,
COORDINATOR IMPLEMENTATION GLOBAL GOALS
(OCTOBER 2016)

set excessive targets, and sub-contract to sub-contracts. And to minimise resistance, they work with workers that are unlikely to join a union.

On top of this, many of your first- and second-tier suppliers will also further outsource production to informal and/or poorly managed workplaces, where employees have unstable work contracts while working too long days with too much tension in the workplace. This tension frequently leads to for example abusive and violent behaviour of supervisors and managers.

Adopting responsible purchasing practices will allow companies to optimise their costs and reduce operational and financial risks, while increasing their productivity and quality. The Fair Wear Foundation's (FWF) Brand Performance Check is a tool to evaluate and report on the activities of FWF's member companies. The checks examine and publicly report on how the management practices of member companies support the FWF Code of Labour Practices at apparel factories engaged in activities that take place after the production of fabric. This tool strengthens company transparency and accountability.

The true price of products

A third essential problem originates at the point of sale, namely the price that consumers are charged for products. In today's competitive global markets, retail prices often do not reflect the "true price" of a product, which may include hidden external costs, both monetary as well as unpaid environmental and social costs. To achieve structural gender equality across the whole value chain it is important to address the root causes of today's false prices. This will affect the retail price which requires raising awareness among consumers of the rationale for paying a "fair price" and their willingness to pay for the full social and environmental costs of their consumption. Hivos has used **true pricing** in its campaigns to initiate positive engagements with horticulture companies in Kenya, giving them actionable advice on further improving their financial, social and environmental performance. In the Netherlands, Hivos draws attention to the labour position of women working in the flower industry and campaigns to boost the supply of equitably grown flowers and to raise their profile in the shops.



Supplier code of conduct: In their own words

Several companies participating in the Plan-Accenture survey said they are familiar with, and/or are already using a standard. A member of BSCI noted that "we encourage our suppliers to sign the supplier code of conduct, which also includes the principles of non-discrimination and fair remuneration." Other respondents referred to BSCI social audits as a helpful tool in achieving their gender equality targets.

32% of respondents reported that they have translated gender equality principles into the code of conduct of both their company and suppliers. "Gender equality is an integral part of our non-discrimination approach and is part of our Standards of Engagement for suppliers," noted one respondent. A tourism company reported that they have adopted, and actively promote the 'Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism,' while another respondent said they give preference to the special interest groups of women, youth, and persons with disabilities.

The Plan-Accenture survey asked participants to name some labour standards (especially those with gender dimensions) that they address in their supplier codes of conduct. The results will be presented in the following chapters.



THE MINISTRY OF FOREIGN AFFAIRS

Hans Docter is Director for Sustainable Economic Development at the Netherlands Ministry of Foreign Affairs. He has a long experience as a diplomat in developing countries such as Ghana, Kenya, Indonesia and Ethiopia. He also served as the Dutch Special Envoy on Ebola. In this interview, Docter underscores the importance of International Responsible Business Conduct (IRBC) in facilitating good due diligence (risk analysis) and multi-stakeholder collaboration. He also gives examples of the role of Dutch government in promoting gender equality at work.

Mapping supply chain risks

“The sustainability of global value chains and support for producers in developing countries are high on the agenda of the Ministry of Foreign Affairs. The Netherlands has an active policy to promote respect for human rights by business and to prevent human rights violations. This policy is underpinned by the OECD Guidelines for Multinational Enterprises and the Guiding Principles for Business and Human Rights. According to these guidelines, companies have social responsibility for what occurs in their production chain and for compliance with decent work standards.

Lilianne Ploumen, former minister for Foreign Trade and Development Cooperation, embraced multi-stakeholder sectoral IRBC-agreements, or covenants, as a new instrument to address risks of human rights violations in value chains. To date, five sectoral covenants have been signed for the garment and textiles, banking, sustainable forestry, gold and vegetable protein sectors. Other sectors are expected to follow, such as agrifood, horticulture, natural stone and ship recycling. Branch organisations, government, trade unions and CSOs have reached agreement on how to address the violation of labour rights, environmental pollution and the human rights of communities. These covenants also offer opportunities for improving the position of working women.

Unlike previous voluntary agreements, a covenant is a much more robust instrument as it requires companies to map the risks for

people and the environment throughout the value chain and to draw up an improvement plan annually. It is here that the covenant also creates added value, for example for a more focused gender policy. Companies will be supported. We are in there together. As government, we actively contribute to these covenants. For example, we can link our aid programmes for women and their experience to the ambitions of the sectoral covenants. Nevertheless, we are very much aware of the complexity of today's global value chains. We do not expect companies to address every risk at once. However, we do ask companies to develop realistic future scenarios and do better over the years. It must also be noted that at present, gender is still too often a blind spot in these due diligence processes.

Multi-stakeholder collaboration for gender equality

Many companies are open to the idea of combating gender inequality in their supply chains, but they find it hard to find specialised local partners who understand local gender dilemmas. It's important to note that this is not only about women's perspectives, but also engaging men in order to find lasting solutions. As a Ministry, we facilitate these processes by connecting companies with specialised development organisations that have good contacts with local women's organisations. We do this because we believe that cross-sectoral collaboration is effective in eliminating complex gender issues at the workplace. Similar problems, often rooted in traditional values and power relations, occur in different sectors.

One of the multi-stakeholder initiatives we support is the gender group of the Floriculture Sustainability Initiative, which has been working on introducing a zero tolerance policy for sexual harassment on flower farms. In Asia, the Fair Wear Foundation – another initiative we support – is working with garment brands, trade unions and factories to address gender violence in textile factories and to realise living wages for women through collective bargaining processes. Through the Dutch unions FNV and CNV we also support the training of young women leadership in trade unions. The SheTrades

ITC initiative is an innovative approach, which focuses on encouraging companies to buy product from female entrepreneurs. And of course the Girls Advocacy Alliance, which is one of the strategic partnerships that we are involved in.

The role of embassies

Companies often wonder to what extent Netherlands embassies can support them in their international journey. From my own diplomatic experience, I am convinced that embassies can play an important role. First of

all, they understand the local context and the most prevalent risks in the country – even in specific business sectors – and know many of the local stakeholders. They also have direct connections with the local government, UN bodies and other donors. This puts them in a great position to bring together companies and other parties for dialogue, negotiations, and joint learning. Last but not least, embassies are good at economic diplomacy. So, both companies and civil society can approach Dutch embassies as their partner abroad.”

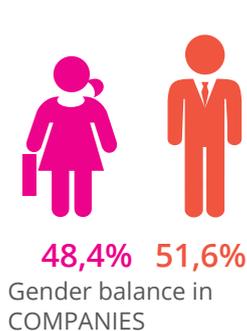
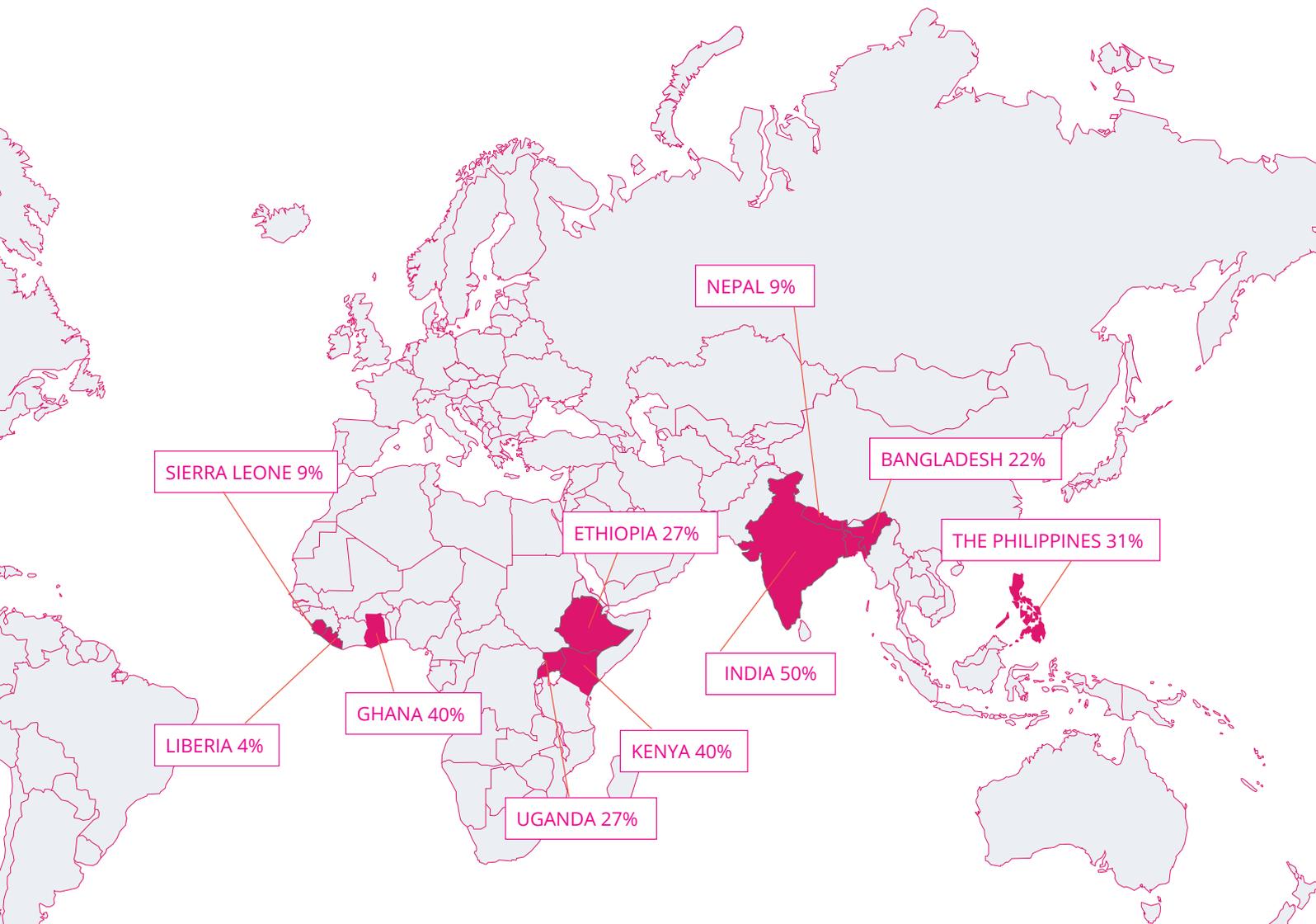


Photo credit: Plan International

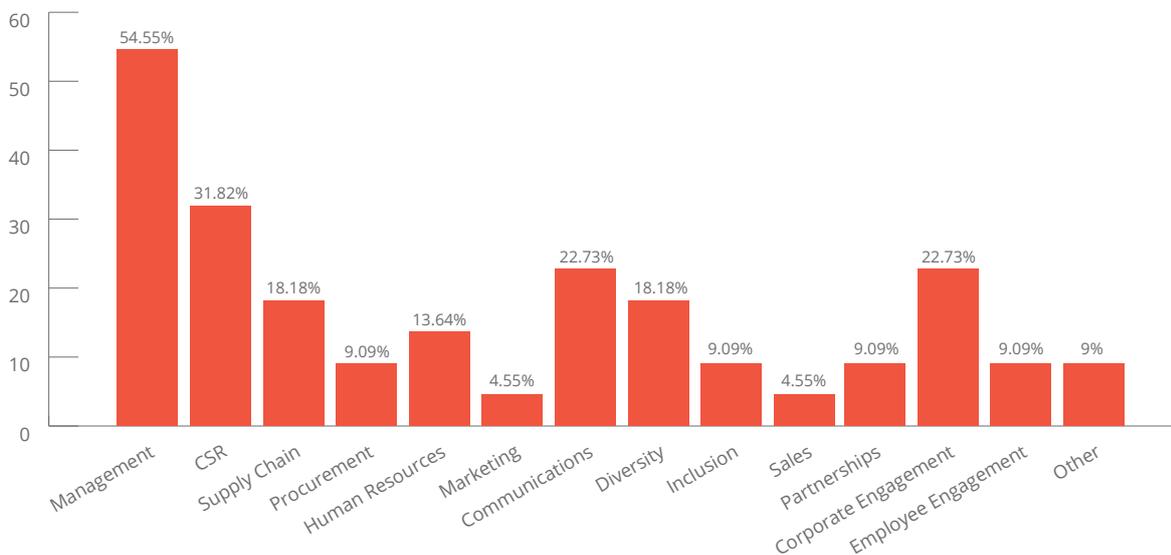
OVERVIEW OF THE COMPANIES RESPONDING TO THE SURVEY

List of GAA countries where responding companies are active (operations and/or supply chain activities)

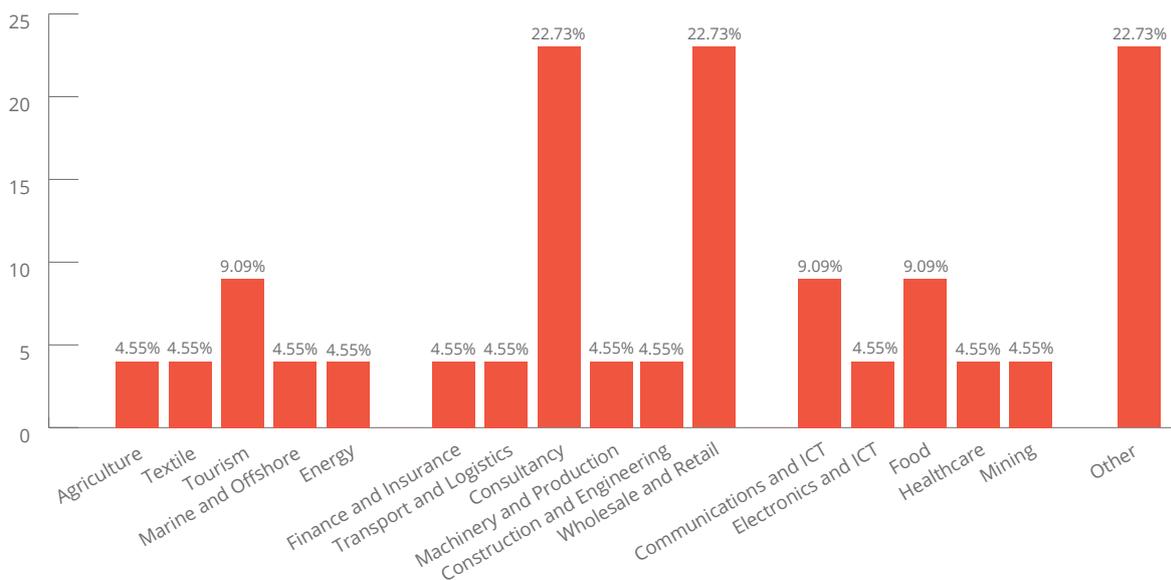
 72% of responding companies are Dutch



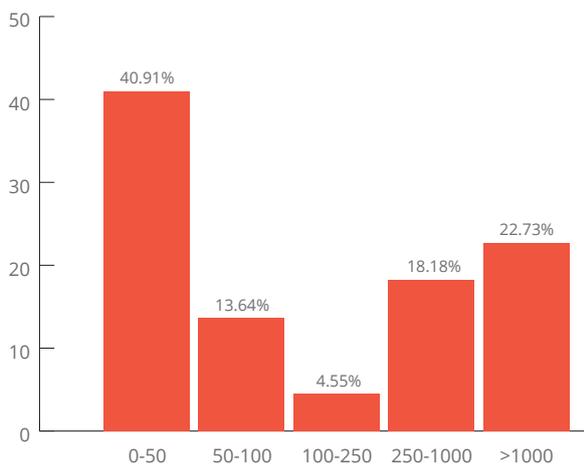
Function respondent



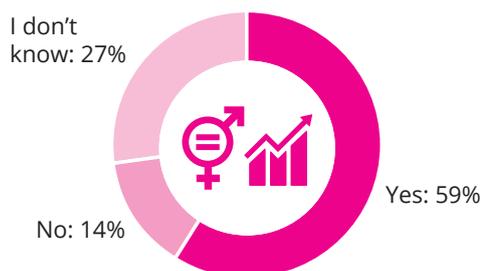
Industry



What is the total number of employees in your company?



Companies aligning their policy and ambitions with SDG 5 and 8





4. GENDER-SENSITIVE LABOUR STANDARDS IN SUPPLIER CODES OF CONDUCT

This chapter explores the following nine labour standards in relation to gender equality and their importance for your business and supplier codes of conduct:

- 4.1 Non-discrimination
- 4.2 Wages and benefits
- 4.3 Working hours and overtime
- 4.4 Forced labour
- 4.5 Harassment and abuse
- 4.6 Health, safety and access to facilities
- 4.7 Freedom of association and the right to collective bargaining
- 4.8 Employment relationships
- 4.9 Management systems



4.1 NON-DISCRIMINATION

Discrimination in employment refers to practices that have the effect of placing certain groups outside the labour market or in a vulnerable position. This can be based on one, or a combination of factors, including race, colour, religion, sex, political opinion, sexual orientation, disability, age, HIV/AIDS status, and social position (marital status for example). Discrimination can be direct or indirect (hidden) in nature.

Given the focus of the Girls Advocacy Alliance on the position of girls and young women, this report describes discrimination against this group in particular. Women and men experience different kinds of workplace discrimination, which can range from the recruitment process to remuneration, benefits, admittance to training opportunities, employee promotion, job prospects, and retirement and termination. Some of these practices may be very subtle and difficult to identify without an in-depth analysis and understanding of the context. Others are obvious and linked to women-specific gender roles, such as maternity or motherhood.

Forms of discrimination against girls and women

Occupational gender segregation

Vertical occupational segregation by gender is usually quite pronounced, with women typically occupying less senior positions within a company's structure. In Vietnam, for example, where women represent around 80% of the estimated 700,000 light manufacturing jobs, they primarily work in lower-paid positions as seamstresses and helpers. An assessment by the NGO [Verité](#) concluded that in apparel factories, women tend to work in lower paid stitching and sewing positions while maintenance, security, and management jobs are held by men. This may suggest biases in recruitment, access to training as well as access to career progression.

Globally, only half of the female workforce – compared to three-quarters of their male peers – takes part in the formal labour force. Women tend to be overrepresented in lower tiers of the supply chain, as well as in sectors that are traditionally low paid and less innovative, and with lower productivity and growth opportunities. These sectors are further characterised by a strong export orientation and labour-intensive processes, for example the ready-made garment (RGM) sector in Bangladesh, or floriculture and horticulture production in Kenya, or toys and electronics in China. In the case of the Bangladesh RMG industry, which employs approximately 4.2 million workers, some estimates put the number of women workers in the sector as high as 80%. Notwithstanding, women's wages are about 69% of what men earn. Female employment is clearly at the lowest levels of the wage ladder, and employed females earn roughly 26.11% less than what male employed adults receive (see also next chapter).

[World Employment Social Outlook – Trends for Women 2017, ILO](#)

“Gaps between men and women in the world of work remain widespread and begin with women’s limited access to the labour market and, once in the job market, women have restricted access to quality employment opportunities” World Employment and Social Outlook – Trends for women 2017

- Women are substantially less likely than men to participate in the labour market, i.e. to either be in employment or looking for a job: the current global labour force participation rate for women at just over 49% is nearly 27 percentage points lower than the rate for men.
- Women are less likely than their male counterparts to find a job.
- Once in employment, nearly 36.6% of women in developing countries, compared to only 17.2% of men, are engaged as contributing family workers.
- A comparison of the sectoral distribution of employment by sex reveals strong evidence of gender segregation.

Recruitment

During recruitment women are much more likely than men to be asked about their marital status or if they have children. In some cases – such as the maquiladores (export processing zones) of Central America – women have been forced to undergo pregnancy tests, which is an outright violation of their labour rights. Research by Verité further revealed that female migrant workers were sent back home if they become pregnant.

Termination and benefits

Women are often more vulnerable than men to unlawful termination of contracts, for example if they become married or pregnant, or prior to, or following their maternity leave. Unlawful practices such as requiring female staff to pre-sign termination letters at recruitment stage to be invoked in the event of pregnancy are still in place in some industries. Women’s duties as caregivers of children, or sick and elderly family members, may also increase their absenteeism, making them even more vulnerable to early termination.

All these gender biases also lead to situations where women, even if they do not face termination, do not access their rightful benefits, such as the full duration of maternity leave. In other cases, women may be penalised, for example through reduced wages or denial of promotion, or subjected to unfair conditions upon returning to work.

Training and career advancement

‘Women in the Workplace,’ a 2015 study conducted by McKinsey, found that many women believe they are disadvantaged by workplace bias. Women are close to three times more likely than men to report having missed out on opportunities, such a promotion or a raise, specifically because of their gender. Furthermore, women conveyed that they are consulted less often than men on important decisions. Other reports, such as the [FAO report 2016](#) on gender-sensitive value chains, indicate that women are less likely to have access to technologies and information. Women may face practical limitations (such as mobility and time constraints) or lower educational levels, which may prevent them from attending trainings.



Non discrimination: in their own words

IS NON-DISCRIMINATION PART OF YOUR SUPPLIER CODE OF CONDUCT?

55%
Yes

5%
No

13%
I don’t know

27%
We have no Supplier
Code of Conduct



The Plan-Accenture survey results show that 55% of the responding companies include non-discrimination in their supplier codes of conduct. Some refer to their BSCI commitments, or to other standards (although these are not specified). Emphasising that integrity starts with respect



for others, one of the companies noted that their aim is “to be well mannered and courteous in what we do and what we say, and to appear to be so.... Any utterance that does not show respect is inappropriate and unacceptable.” Another company mentioned its work as a recruiter for sustainable companies that are actively involved in fair-trade practices “and have a love for the world.”

Half of the respondents did not know if their suppliers refer to non-discrimination in their policies, while about 45% said they do. With regard to gender discrimination in their supply chains, 18% of confirmed this has been the case, but did not provide examples of such incidents. The box below highlights some challenges related to gender and discrimination that are faced by signatories to the Sustainable Garment & Textiles Sector Agreement in the Netherlands.

DEVELOPING SECTOR COVENANTS AND COMBAT GENDER-BASED DISCRIMINATION

A risk analysis conducted by KPMG in 2014 highlighted some gender-related rights abuses in 13 different business sectors. Among other conclusions, the study found that violations of women's rights occur within the supply chains of most important Dutch economic sectors and identified some of these as violence, unsafe and unhealthy working conditions, and little or no right to representation in a trade union. Building on the KPMG study and a sector-based action plan launched in 2013, a broad-based initiative brought together the Dutch Government, employers, NGOs and labour organizations, under the facilitation of the Social and Economic Council of the Netherlands (SER), to negotiate a sector-wide covenant for the garment and textiles industry ([see also the interview on page 20 with Hans Docter](#)). A sector covenant is a broad-based agreement, based on international guidelines and commitments, that seeks to create a level playing field by ensuring that all companies in the sector abide by the same rules of the game. The process of negotiating such an agreement provides businesses with an opportunity to extend their influence by engaging with government, trade unions, NGOs and other companies in a structured way to solve complex issues. Existing covenants are organized in different ways. The Garment and Textile covenant has two main goals: to improve circumstances for groups affected by specific risks within a period of three to five years after an agreement has been concluded; and to offer a collective solution to problems that businesses are unable to solve, or solve entirely, on their own.

SER continues to monitor discussions among the different parties with a view to arriving at more sector-level International Responsible Business Covenant (IRBC) agreements and assumes responsibility for implementation at parties' request.

As part of the Covenants on Garment and Textiles, several working groups have been established, including one on gender and discrimination. The working group explores strategies to support companies in their plans to eradicate all forms of discrimination by ensuring equal rights, opportunities and pay for especially women and generally other vulnerable employees. The working group has identified a few challenges faced by companies active in the Garment and Textiles. A commonly faced challenge is a lack of knowledge on how to monitor production process and conduct due diligence along the entire supply chain with attention to gender and discrimination. Many companies confirmed that while they have studied e.g. Fair Wear Country reports (detailing the current situation in the garment industry in a specific country) they find it difficult to prioritise the main risks and to operationalise gender and non-discrimination within their own business and supply chain. Companies that had made efforts to catalogue locally identified risks and discuss these with their suppliers reported that gender and discrimination are very sensitive issues to discuss, especially in regions where these are deeply rooted. Many companies found that suppliers are unwilling to talk about it, probably for all sort of reasons, especially when the company is one of many brands they are producing for. In other cases, brands do not always feel at ease to raise the issue. The reality is that when faced with many issues to be discussed with their suppliers, gender and discrimination tend to receive less priority.

The working group plans to present a guidance document for companies on tackling gender and discrimination that sets out, among other guidance: a brief but, comprehensive overview of risks and challenges that companies may come across in their supply chains; how they can or should address these issues; and who might be able to help them to do so.





4.2 WAGES AND BENEFITS

Women workers outnumber men in the lowest-paid positions of most global supply chains. But women also face a number of constraints in achieving equal wages and access to benefits that are specifically linked to their gender.

Internationally-agreed labour standards call for workers to be compensated by the provision of wages, overtime pay, benefits and paid leave that, respectively, meet or exceed the legal minimum and/or industry benchmarks, or are in accordance with collective agreements. Most company codes of conduct address wages and benefits by focusing on equal remuneration (ILO Convention No. 100), while others go further by referring to the concept of a living wage.

Wages

The gender wage gap between men and women is exacerbated once a woman has a child, jumping, on average, from a 7% to 22% among OECD countries. On average, female employees earn 24% less than men. Research has also demonstrated that women are not only paid less than men for the same work or work of equal value, but they also receive fewer bonuses and are more likely to be paid by the hour, or per piece, meaning they end up working longer hours for less pay.

No country has, so far, achieved full gender parity in pay, and pay gaps exist for women doing the same type of work as men. Moreover, women make up close to two-thirds of workers who contribute to family-owned businesses without receiving any direct monetary compensation. Globally, women spend up to ten times more hours on unpaid care work than men.

The legal minimum wage in emerging markets and developing countries is often much lower than a living wage. The minimum wage may be high enough in theory but not applied or enforced in practice. To earn enough to survive, many employees are forced to work longer hours. High costs for childcare and associated expenses, create an added burden for many low-paid female workers.

LIVING WAGE

A living wage is the remuneration received by a worker for a standard work week (maximum 48 hours) that covers the basic subsistence needs of the worker and his or her family. This includes paying for basic household needs such as adequate food, housing, health care, child care, education, clothing and transport, with a provision for unexpected events. The concept of a living wage means that all these basic needs should be provided for in a worker's net take-home pay package, excluding overtime. In many countries, the difference between a living wage estimate and the legal minimum wage is quite significant.

According to the OECD Guidelines for Multinational Enterprises a company should avoid paying less than a living wage. It should also use or increase its influence or leverage to make sure that a violation of this human right does not occur in the supply chain (both for suppliers downstream and/or clients upstream). Paying a living wage is often quite an investment, but companies that do so enjoy significant returns in terms of company reputation, brand value, and higher productivity and quality. Moreover, happy workers are healthy workers: by ensuring that workers' basic needs, including healthcare, are taken care of, companies have fewer problems with absenteeism and low motivation.

Source: RVO.nl; FWF, HIVOS & Fair Food

Most women in South Asia (82%) and sub-Saharan Africa (66%) work in the informal sector, where they are vulnerable to predatory lending, fraudulent pricing, and other injustices that rob them of needed revenue and their rights. Within this informal economy there is little or no oversight, and exploitation is common. Women are offered part-time, temporary, casual or zero-hour contracts jobs. This might also involve a company paying a woman low wages to sew clothes in her home, or requiring a woman who previously held a formal factory job to work part-time, or off site. In all of these cases, women lose out on needed pay, benefits, safety standards, and other protections. By moving to the informal economy, women are also more likely to be out of reach of trade unions and other institutions that work to safeguard workers' rights.

These patterns are repeated in agriculture, which is the foremost provider of employment opportunities for women in low- and lower-middle-income countries. Women comprise about 43% of the **agricultural labour force** globally and in developing countries, with an estimated 60% in Southern Asia and in sub-Saharan Africa. Women workers often participate in time- and labour-intensive farming and related processing activities for little pay. Less than 20% of the world's landholders are women.

Benefits

Maternity, pregnancy and sick leave offer specific challenges to women, including:

- Employment contracts are often terminated when women become pregnant. To avoid this, women sometimes conceal their pregnancy, which may create a number of health issues for them and the baby. For example, they may work long hours or continue performing heavy manual labour that may be hazardous in their condition. On the other hand, pregnant women may also be denied their rights to work overtime, while they often rely on it to maintain a decent living standard.
- Many companies deny maternity leave benefits, or these may be insufficient to cater for women's needs. This may force them to quit their job. Since most countries do not recognise paternity benefits, ensuring that women get their due benefits is all the more important. Women may also face different kinds of issues when returning to work, with their jobs not being available anymore, or being reassigned to lower-paid jobs.
- Women are disproportionately affected by denial of sick leave and income deductions when they do take sick leave. This may make workers delay seeking medical assistance. Piece-rate remuneration (especially in the RMG and agriculture sectors) further weakens the capacity of workers to absorb financial loss from taking sick leave. This applies not only to workers themselves but also when women workers have children in their care with no support structure.



Wages and benefits: in their own words

IS EQUAL PAYMENT PART OF YOUR SUPPLIER CODE OF CONDUCT?

36%
Yes

14%
No

23%
I don't know

27%
We have no Supplier
Code of Conduct



36% of the companies that participated in the Plan-Accenture survey provide for equal remuneration for male and female employees in their codes of conduct. Some respondents said they were BSCI compliant in this area, noting, for example: "We require social audits from all suppliers in high risk countries at a level of BSCI. Wages are a part of it," and that "...fair and comparable wages, hours and benefits, should be guaranteed for all workers for comparable work." However, at least half of respondents said they did not have a code of conduct or were unaware if they have one.



When asked whether their suppliers pay a fair wage to their male and female employees, 36% of respondents were unsure. However, 64% said this is the case for all, or at least some suppliers. The complexity of undertaking due diligence in this area was underscored by one respondent who explained that the company demands equal wages, “but the textile industry is a very dark industry, we can never be 100% sure.” While acknowledging the difficulty of controlling all suppliers, another respondent stated that efforts are made to actively engage with suppliers to ensure that fair wages are paid. Another company explained that “a fair wage refers to a minimum wage.”

We also asked companies how they responded to cases of wage inequalities in their supply chain. Only 9% responded positively, for instance stating that if an audit reveals non-compliances, the company requires improvements to be made before the next audit. A majority said they were unsure, or that the question was not applicable, with one person stating, “we cannot tell other people how to run the show.”



Meet Thet Thet Zon, who has been working as a sewing operator for two years, 6 days per week, 11 hours a day. She earns 125 dollars per month. The Fair Wear Foundation followed Thet Thet Zon and this video shows what she has left at the end of the month.

GARMENT COMPANIES AND LIVING WAGE: A SUSTAINABLE INVESTMENT CASE BY ASN BANK

ASN Bank is a Dutch bank with a core focus on sustainable banking. The bank's sustainability policy seeks to ensure that its loans and investments only go towards socially and environmentally responsible companies, sectors and countries that meet strict criteria for inclusion in the "ASN Investment Universe." Irina van der Sluijs, ASN Bank's senior adviser on human rights explains that this policy builds on the three pillars of human rights, climate change and biodiversity. She explains that by assessing companies, countries and projects in terms of their policies and practices in these three areas, in addition to good governance and integrity, the bank seeks to contribute to responsible business practices by the companies it invests in.

One of the human rights principles that is gaining increased attention within the bank is the concept of a living wage, in particular in the garment industry. In this interview, Van der Sluijs explains why this issue has become important for the bank's investments and discusses some of the tools and structures that the bank uses to ensure that its investments support socially and environmentally responsible development.



Living wage in the garment industry

"Why do we focus on living wage? In our sustainable analyses we consider all human rights as put forward in the normative framework of the United Nations, including the core labour standards of the International Labour Organisation (ILO). In addition, we wanted to set a more specific human rights goal to work towards. Our focus on living wage is in a way evident as it is about money and this is clearly related to our financial business. Also, a living wage is an important social issue that can make a significant contribution to reducing poverty and also has a positive impact on several other human rights issues, such as reducing child labour and excessive overtime. Last but not least, many different stakeholders have highlighted the need to pay greater attention to this issue, which has led ASN Bank to formulate a long-term human rights goal: All garment companies in the ASN Investment Universe have implemented a living wage by 2030.

Impact measurement

Our focus on the garment sector helps us to achieve concrete results and measure progress in one particular sector. Together with the Impact Centre of the Erasmus University in Rotterdam we started tracking the state of affairs of 14 garment companies. We have developed a methodology for this, which includes a survey and scorecards to

rate, measure and engage on a yearly basis. The scorecards especially have proved to be good conversation starters. The contact with companies is a starting point for our further engagement and approach. We are committed to sharing our information, methodologies and manuals to support others in their sustainability journey, as well as to build on our own lessons learnt. We hope that this will inspire other financial institutions to get more insight on wages in the clothing industry. Triodos and MN Services are already partners and together we are engaging with companies and learning more about the various sector initiatives.

Living wage and women's empowerment

A living wage contributes to the empowerment of women. I have visited several garment factories in Bangladesh and it is painful to see how vulnerable these thousands of young, low-skilled women are. They are often on their own after moving to the city from rural areas. They barely have any choices but to work for low wage and not knowing their rights, they are vulnerable to discrimination on a daily basis in the workplace. To factory owners they seem like numbers - interchangeable. A living wage empowers these women, and can lift them out of poverty. It can also protect them from forced labour and their vulnerable position in a context of gender-based violence. I also think that a salary is more than just money. A living

wage is an expression of your appreciation for these women. You are basically telling them 'your work is worth something and that something is equal to that of men.' Brands should be clear about their policies with respect to equality. Invest in a healthy and safe environment, in education and training, so to say, in human capital. Of course this is challenging in a male-dominated work environment with very few women in management positions. But this makes the investment even more worthwhile!

Dilemmas for companies

One of the difficulties companies face is the fact that there is often too much discussion about definitions and benchmarks. One very important issue is that brands do not pay the workers, manufacturers do. Brands also do not set living minimum wages, they are not part of wage setting mechanisms, while governments in producing countries are reluctant to raise legal minimum wages to a living wage level. Brands are not at ease to interfere in local collective agreements. For this reason, collaboration with international trade unions is crucial. Another critical issue is the question who pays for increased production costs and how to change purchasing policies so manufacturers are enabled to pay living wages.

Multi-stakeholder collaboration needed

All the more reason for multi-stakeholder dialogue and collaboration by companies and their suppliers, trade unions, governments, NGOs, international organizations and others. All have complementary expertise and roles to play. That is why ASN Bank works closely with partner organizations such as NGOs on advocating for a living wage. We believe that financial institutions have a role to play in promoting human rights and a responsibility to respect human rights in our own activities."

GIRLS
ADVOCACY
ALLIANCE





4.3 WORKING HOURS AND OVERTIME

Working hours are addressed in most company codes of conduct and limitations to the hours to be worked each day or week are clearly stipulated in ILO Convention No.1. Companies should ensure that their working hours comply with national laws, benchmark industry standards or relevant international standards, whichever affords greater protection to ensure the health, safety and welfare of workers. The standard allowable working hours in a week are 48, excluding overtime. Overtime should be voluntary, should not exceed twelve hours per week and should not be requested on a regular basis. Refusal to do overtime cannot be punished, retaliated against or penalised in any way.

However, overtime is hard to control. Line and floor managers are also often under pressure to meet delivery targets (as explained in chapter 3), so they may pass on unrealistic daily targets to employees, and/or request workers to work extra hours. Exigencies of consumers are pushed back down the supply chain to the workers. Companies can adopt more responsible purchasing practices (see the case of JJH Textiles on page 49).

Many workers, especially those on low wages, are happy to work overtime because they can earn some extra money for their families. However, overtime is not always recorded, making employees more vulnerable to exploitation. Moreover, workers do not always receive the money that they are entitled to for their extra work.

The issues behind working long hours are relevant for both women and men workers. However, women face specific challenges when working longer hours and/or on overtime:

- Having become in many cases a key 'bread-winner' for their families, women experience different pressures than men in trying to balance working hours, overtime and their responsibilities at home. Working long hours can be especially burdensome for women who often are still responsible for most tasks at home and are the main caregivers, of both children as well as the sick and elderly.
- Overtime is often requested at very short notice, which may put women workers, in particular in difficult situations, especially when they are not able to make alternative arrangements for childcare or other dependents. Overtime may also create security issues for women as they travel to and from work at very early or late hours, putting them at greater risk of abuse and violence outside the workplace.
- Women are often homeworkers and paid per piece, and they may need to work much longer hours to achieve the pay they need. But piece-rate payments are also common practice in factories, and can be used as a way to avoid overtime compensation.
- Overtime is usually regulated by law, but the rules are not always applied and, when forced, it is often linked to cases of harassment.



Working hours: In their own words

ARE WORKING HOURS AND OVERTIME PART OF YOUR SUPPLIER CODE OF CONDUCT?

32%

Yes

14%

No

18%

I don't know

36%

We have no Supplier Code of Conduct



The Plan-Accenture survey results show that 32% of the responding companies address working hours in their supplier code of conduct. One company answered as follows: "We finish when the work is done!" In this case, it would be interesting to know under what conditions this work is finished. Companies are less aware of the policies of their suppliers with respect to this topic (50% said they did not to know, while 36% answered in the affirmative or stated that "at least



some suppliers" have a policy). Another respondent reported that according to some of their suppliers, "employees start work by 7.30am and close by 6pm. However, if there are pressing issues they are made to stay on."

23% of the respondents reported that female employees had not experienced any issues in this area (e.g. pressure by management, insufficient compensation). However one of the responding companies acknowledged that "some information may not be accurately provided by suppliers."

Mars Chocolate and its Vision for Change programme

MARS Incorporated invests in several agricultural supply chains (coffee, tea and cocoa), in which women play a major role (at least 45%) as farmers and through their work contribution to family farms. An extensive assessment of the cocoa value chain identified specific inequalities faced by women producers, including their positioning at the lower levels of the supply chain. The study also revealed some of the practical needs and challenges that women face, including lack of time, unequal distribution of responsibilities and discrimination. As part of Mars Chocolate's Vision for Change project in Côte d'Ivoire, which was initiated in 2010, the company is helping cocoa farmers to improve their quality, yields and incomes, and is engaging with cocoa communities to promote social development and improved conditions. Mars has also put in place a Gender Action Plan, to better address gender issues and transfer knowledge, skills and opportunities to women in cocoa communities. Mars now monitors women's empowerment indicators such as the number of women reached, their income, attendance of girls in primary schools, and the number of women in leadership positions and their levels of influence in their communities.

EXCELLENT PRODUCTS: DOING BUSINESS IN VIETNAM

Monique Ansink is Owner and Director of Excellent Products, a manufacturer of bungees, tie downs, trailer nets and towropes (high quality fasteners industry). Excellent Products sells its materials in 24 countries, primarily in Europe, and has a turnover of millions of euros. Ansink is a member of the Supervisory Board of Rabobank Westfriesland, the Dutch multinational bank, and member of the advisory group for financial export administration and social responsibility at Fenedex, a network of Dutch export companies. She also chairs Womensbizz, a Dutch Network for female entrepreneurs with international businesses, and the BSCI Foreign Trade Association. Monique aims to do good business with, and for, other women. Her goal is to create 300 jobs in Vietnam, including 70% for female workers.

Ansink first joined Excellent Products in 1991, with responsibility for setting up its export division. As a woman in a man-dominated car and transport world, she conquered her place. She managed to build up a business centred around her own factory in Vietnam that sells 95% of its products overseas. Ansink decided to set up this factory after a trade mission to Vietnam. The company currently has about 50 employees working in the factory in Vietnam and 25 in sales, logistics in Hoorn, the Netherlands.

Her experience as a woman working in a different cultural context has provided Ansink with unique insights on how to advocate for gender equality in a male-dominated sector. She highlights some of her experiences in this interview.



Opening her factory in Vietnam

“With the help of a subsidy from the Ministry of Development Cooperation, we have built a private factory in Ho Chi Minh City, together with a Vietnamese business partner. We can now purchase and test our raw materials ourselves and ensure that the products meet all standards. Our products are used in traffic, so it is very important that the quality is good. Jobs for women and paying a living wage
In Asia, we see that women invest their earned money in their households, while men use this for pleasure. When we stopped paying cash and opened a bank account for all employees, the men were not happy with that.

Responsible business for me means doing business in in Asia in exactly the same way as I would in the Netherlands. This is harder than it sounds, because there is a lot less regulation in Vietnam than in the Netherlands. It’s a great deal to introduce better working conditions, including security and higher salaries. I would like to adhere to the standard of a living wage. This amount is higher than the minimum wage.

At this moment, I pay 20% above the minimum wage. I would like to raise the bar, but then the costs will be higher and you will not be competitive anymore. Especially the Chinese have a strong position in the current market. As a company, we already have small margins. Customers, and ultimately consumers, need to pay a little more. But they are used to the low prices. It remains a dilemma to get ‘fair’ prices, which is frustrating. (Ansink hopes to realise a living wage within two to three years).

Corporate Social Responsibility

What makes it extra difficult is that there is no fair trade logo for the type of products we make. It is very difficult to make the extra things you do in the field of responsible business insightful to customers and consumers. We are affiliated with BSCI. BSCI supports the development of your CSR policy and also provides courses in developing countries. I send our employees in Vietnam to those courses. You can do external audits and you will get a ‘Code of Conduct’ in the language of the country. I have made sure that all staff at our factory are familiar with this Code.

I would advise companies that want to do international business in a sustainable way, to contact other companies, that already have experience in this area. Go to these companies and learn. And visit your own company or supplier to see what the context is like in the country you want to do business in or source from. BSCI organizes meetings with workshops and 'network bubbles.' I have learnt a lot from other companies at these events. One problem, however, is that companies do not want to be open about their locations, prices, nor human rights issues. Especially because they are afraid of the media."



Photo credit: The Financial Times Limited 2017

GIRLS
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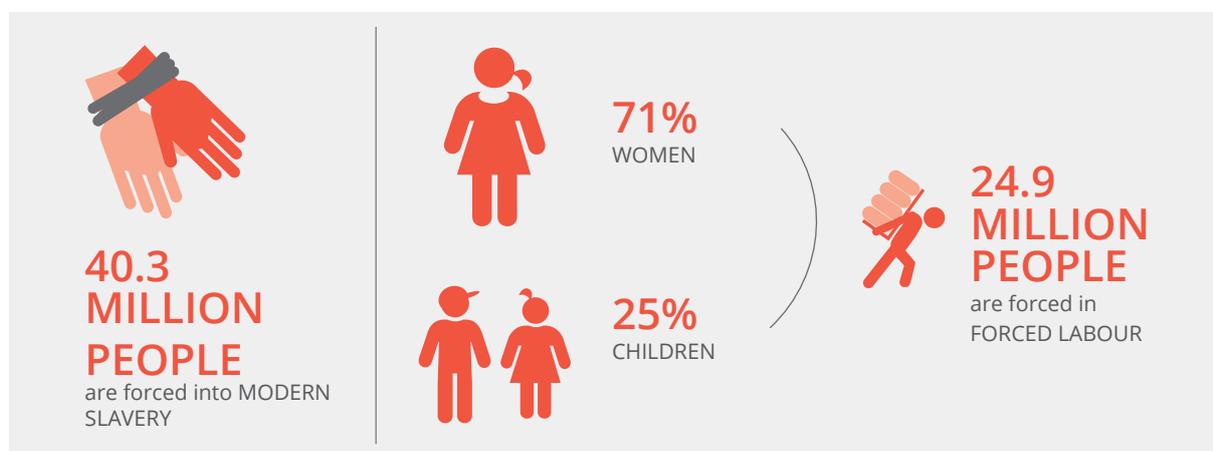
4.4 FORCED LABOUR

All work must be conducted on a voluntary basis, and not under threat of any penalty or sanctions. The legally binding protocol (ILO) on forced labour makes clear that the use of forced or compulsory labour (including bonded and indenture labour) in all its forms is prohibited. However, according to the latest [Global Estimates of Modern Slavery \(2017\)](#) of Alliance 8.7 – a global multi-stakeholder initiative that brings together all interested parties to achieve SDG target 8.7 (a world without forced labour, modern slavery, human trafficking and child labour) – an estimated 40.3 million people were victims of modern slavery in 2016. This figure includes men, women, and children who were forced to work against their will, or faced the threat of/or were living in a forced marriage. Women and girls are disproportionately affected by modern slavery, accounting for almost 29 million, or 71% of the total. More precisely, women and girls represent 99% of victims of forced labour in the commercial sex industry and 58 per cent in other sectors.

According to the report, about 10 million, or one in four victims of modern slavery, are children. An estimated 24.9 million people were in forced labour at any moment in time in 2016. Slightly more than half of them were involved in forced labour exploitation in economic activities, such as agriculture, construction, domestic work, garments and textiles under sweatshop conditions, entertainment, mining or manufacturing. Around 20% (5 million people) were in forced sexual exploitation, while 16% of the total (around 4 million people) were in forced labour imposed by their state authorities.

"I HAVE SEEN COMPANIES USE THE FOLLOWING EXCUSE: WE MAY HAVE FORCED LABOUR IN OUR SUPPLY CHAIN, BUT WE HAVE A GREAT SCHOLARSHIP PROGRAMME FOR GIRLS. THAT IS A NO GO."

ROEL NIEUWENKAMP, CHAIR OF THE OECD WORKING PARTY ON RESPONSIBLE BUSINESS CONDUCT



Forced labour is a criminal act. It mainly affects those persons working at the margins of the formal economy, often also having no access to regular employment, for example due to their migration status.

Particularly vulnerable: young, migrant, indigenous, women

The least protected persons, in particular women and youth, indigenous and tribal peoples, and migrant workers, are more likely to fall prey to unscrupulous labour contractors (for more information see [the ILO handbook on combating forced labour](#)). Cases of forced labour and labour trafficking through legal recruitment channels, particularly in Asia, have also been evidenced. These include abusive practices such as: changing the conditions of employment from those stipulated in contracts signed before the workers left their home country; confiscating and holding personal identification documents; confinement; threatening physical force; and withholding wages. Schemes affecting women such as the Sumangali in South India are also well known (see box) on the next page.

'THE SUMANGALI SYSTEM': A FORM OF FORCED LABOUR FOR YOUNG WOMEN IN INDIA

If your company is sourcing in or from India you need to be aware of the 'Sumangali System.' This is a system in which young girls move from rural areas to work in factories in the cities, often at the wish of their parents, who believe that they will be safe. The girls receive a three-year contract, for very low wages, the bulk of which is to be paid as a lump sum at the end of the contract period, but only if they stay for the entire duration. The girls are forced to work very long hours under unhealthy working conditions. They are accommodated in overcrowded hostels and have little or no contact with the outside world, including family members. Reports indicate sexual harassment plays a part in the high number of suicides and suicidal attempts (see for example, [Captured by Cotton](#), a report of labour rights violations faced by girls and young women employed under the Sumangali Scheme in the Tamil Nadu garment industry, The Centre for Research on Multinational Corporations (SOMO).

Quite a large number of garment brands, and trade unions and other CSOs – including the [Fair Labour Association](#), the [Fair Wear Foundation](#), the [Ethical Trading Initiative](#) and the [Business Social Compliance Initiative](#) – have started to tackle this issue. The clothing brand C&A supports the work of local organisations to get "Sumangali girls" out of the spinning mills and into school or vocational training.

Unfortunately, successes in removing girls from forced labour creates a "vacuum" in the industry, as seen in the growing number of trafficked teenage boys from Bihar in North India who are working in the Tamil Nadu textile industry. Their situation mirrors that of the Sumangali system, with the boys being paid extremely low wages, and working and living under dangerous conditions. This case underscores the complexity of the problem and the importance of ensuring a living wage for families.

Women may also face more subtle forms of forced labour, for example when their freedom of movement is limited for "security" reasons. This is common practice among migrant workers struggling to find housing. They are offered company accommodation where practices like confinement, harassment and/or constant surveillance are in place.

Human Rights Watch identified human rights violations against migrant female workers as an important concern in the agricultural workplace, fostered by a severe imbalance of power between employers and supervisors and their low-wage, immigrant workers.

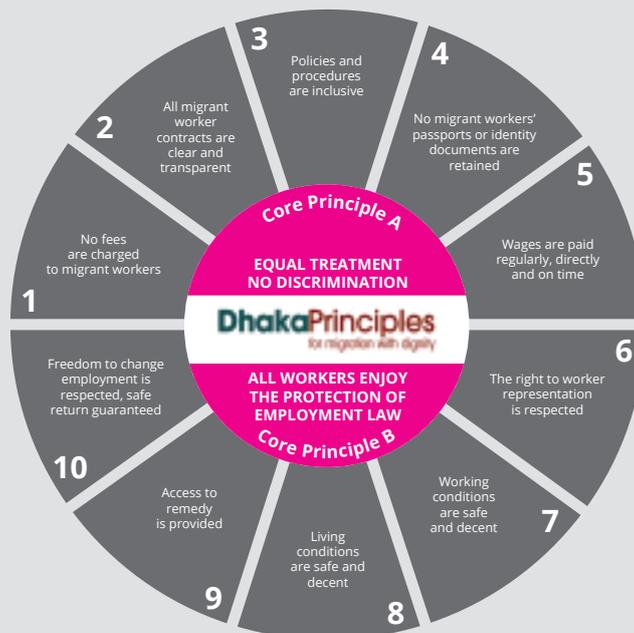
"ALL BUSINESSES HAVE A RESPONSIBILITY TO RESPECT THE HUMAN RIGHTS OF MIGRANT WORKERS THROUGHOUT THEIR OPERATIONS. THE DHAKA PRINCIPLES OFFER A CLEAR FRAMEWORK FOR COMPANIES TO UNDERTAKE EFFECTIVE DUE DILIGENCE AND ENSURE MIGRATION WITH DIGNITY. IT'S ALL PART OF RESPONSIBLE BUSINESS AND GOOD RISK MANAGEMENT."

JOHN MORRISON, EXECUTIVE DIRECTOR OF THE INSTITUTE FOR HUMAN RIGHTS AND BUSINESS (IHBS)

Source: Dhaka-principles

Protecting the rights of migrant workers: The Dhaka Principles

The Dhaka Principles have been developed over the past two years in consultation with a range of stakeholders including International Trade Union Confederation (ITUC), ILO, multinational companies and recruitment agencies, grassroots and international NGOs and a number of governments. The Principles provide practical guidance for employers, labour brokers and other stakeholders on how to respect the rights of migrant workers, starting from their initial journey to the place of employment through to the end of the contract.



Forced labour: in their own words

IS A BAN ON FORCED LABOUR PART OF YOUR SUPPLIER CODE OF CONDUCT?

50%
Yes

18%
No

5%
I don't know

27%
We have no Supplier
Code of Conduct



50% of the respondents in Plan-Accenture survey indicated that they address forced labour in their codes of conduct, while 18% said they do not do so. As is the case with other labour rights, the BSCI was frequently referred to as standard. One company stated that employees are free in their choice to do work, with "no element of compulsion," while another emphasised that "we would never engage in this."

Asked about their suppliers policy on forced labour, 64% of respondents said they did not know if such policies are in place, while 27% of respondents said this is the case for all, or some of their suppliers.

Only 5% of the respondents reported encountering issues of forced labour among women workers, although they did not provide details.





4.5 HARASSMENT AND SEXUAL ABUSE

Violence is one of the most prevalent, albeit sometimes hidden, forms of human rights abuse and presents a significant risk in the workplace. Violence in the workplace can occur in all companies, possibly also yours. It is a threat to the dignity, security, health and wellbeing of everyone involved. Abuses of human rights have an impact on employees and employers, their families, communities, economies and society as a whole, while also harming the reputation of your company.

VIOLENCE AT WORK: WHAT DOES IT MEAN?

Most people associate violence at work with physical assault. However, violence at work encompasses much more and can be of a physical, psychological and sexual nature. It is any act in which a person is abused, threatened, intimidated or assaulted while at work. This concerns any behaviour that embarrasses, humiliates, intimidates, annoys and/or alarms people. It may be based on diverse factors, including race, gender, culture, age, sexual orientation, language, HIV status and religious preference. The perpetrators do not need to have a deliberate intent to hurt the victim: what is important is whether the behaviour is perceived as unwanted. It is the person who is violated who determines the seriousness of the act.

Source: RVO.nl; ILO 2011

Both men and women can become victims of violence. However, most of victims of interpersonal violence are women. Men are the predominant perpetrators of violent crimes, even in cases where other men are the victims. It is estimated that at least one in three women around the world has been forced into sex, physically beaten and/or otherwise abused in her lifetime. Violence can occur on any work floor. However, the risk of exposure to violence is often greater in jobs and sectors where work is informal or precarious, where wages are low, where workers are prevented from joining or forming trade unions and where management accountability is low. Lack of safe transportation to and from work also increase the risks. An extreme case of this is in Mexico where hundreds of women working in maquiladoras (export processing zones) have been murdered on their way home from work.

Harassment, and specifically sexual harassment, is endemic in several exporting industry sectors such as the RMG industry. For many female workers, sexual harassment is an everyday experience. To keep their jobs, women are forced to endure different forms of abusive behaviour such as offensive and sexually explicit language, and physical acts such as patting, hitting, and slapping. Many female workers also face unwanted sexual advances from male co-workers who think they have the right to harass, especially when such behaviour is not punished by management. In a 2016 study, the Sisters of Change in India estimated that about 60% of RMG factory workers have experienced harassment at work. These alarming statistics have been observed in other sectors as well. In their report, *'Fair Flowers – The journey of the rose,'* for example, Workers Rights Watch Kenya and Hivos, raised concern about the grave problem of sexual assault in the flower business.

Violence at work has negative consequences for all parties involved. Hostile working conditions lead to low productivity and high worker turnover. There are also high costs linked to the adverse effects on women's overall health, including sexual and reproductive health and rights, and the mental and emotional wellbeing of the victims.

When (sexual) harassment occurs in the workplace, companies experience a negative impact on performance, as well as their reputation and social capital. At work the employer is confronted with a decreased job satisfaction, demotivation, poor performance, and loss of labour and expertise. For victims, the impact is multi-faceted, with psychological, sociocultural and economic

consequences. Women affected by sexual harassment lose their self-confidence and in many cases their marital lives are affected. They become more reluctant to go back to work, which has financial implications. On top of all this, they may be blamed for “attracting” the sexual harassment in the first place.

Companies have the responsibility to prevent violence and address this human rights risk. Harassment and abuse are addressed in most codes of conduct, but not necessarily as a stand-alone principle. Your company's code of conduct principles should clearly define the meaning of violence and harassment, and state that all forms of violence and harassment in the workplace, including verbal, physical, sexual or psychological abuse are prohibited. It should also be made clear that periodic awareness and training sessions for management, as well as male and female workers is compulsory. Moreover, the code of conduct should clearly communicate that all workers are protected from retaliation for complaining about harassment.

MULTI-STAKEHOLDER COLLABORATIONS IN THE FLORICULTURE SECTOR TO COMBAT HARASSMENT

FSI 2020

Driven by the need for systemic change, which can only happen when different stakeholders work together with a shared understanding and ambitions to achieve change, the sector-wide Floriculture Sustainability Initiative (FSI) 2020 was launched in 2013. It unites more than 30 international members (growers, retailers, standards, CSO, governments) to accelerate sustainable volumes and create impact on key topics. FSI members include IKEA, Global GAP, BSR/Herproject, retailers, Ahold, Tuinbranche Nederland, the Dutch Flower Group, Hivos, and IDH – The Sustainable Trade Initiative. Through the FSI2020 initiative, FSI brings together a basket (not a new label) of voluntary sustainability standards and schemes, including BSCI, Fair Trade, SAI and the Rainforest Alliance. The aim is to ensure an integrated approach to common workplace rights issues, including wage, gender equality, health & safety, sanitation, and housing. This initiative pays specific attention to prevention of violence and harassment. The [Women empowerment 1.0 project](#), an initiative of the BSCI/HER project and the Ethiopian Horticulture Producer Exporters Association (EHPEA) provides training and support to EHPEA member farms. As a result, around 7,000 women comprising 59% of female workers in targeted farms, increased their awareness of their rights. The project also helped to set up active gender committees and an effective reporting system on around 62% of the farms to protect workers from sexual harassment.

The Hivos 'Stop Sexual Harassment' project in Eastern Africa

Hivos is one of the organisations working to promote safe working conditions for workers in the floriculture culture in eastern Africa. Hivos seeks to promote better collaboration among the key stakeholder groups, including flower companies, unions, the media, local government and NGOs. Some of the corrective measures and messages to flower companies that are promoted by the project include:

- Collecting and documenting best practices of anti-sexual harassment workplace policies (role for NGOs).
- Encouraging management to adopt best practices regarding policies and procedures for prevention.
- Providing women with the space and support needed to report cases and offer counselling and legal support.
- Training managers, supervisors and workers (possibly together with unions and NGOs).
- Conducting media campaigns, including to highlight improvements made on flower farms.
- Developing collective bargaining agreements with trade unions and making sure compliance is monitored.
- Encouraging workers to support implementation of labour standards and participate in training and grievance mechanisms.



Violence in the workplace: in their own words

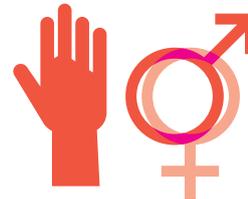
IS A BAN ON HARASSMENT AND ABUSE PART OF YOUR SUPPLIER CODE OF CONDUCT?

41%
Yes

14%
No

9%
I don't know

36%
We have no Supplier
Code of Conduct



The Plan-Accenture survey revealed that for many companies measures against harassment are either considered to be part of their BSCI compliance (related to non-discrimination, forced labour principles) or not considered at all. The majority of respondents said they were not aware of cases of harassment of workers. Only 9% of respondents reported they had experienced a case of harassment. One company emphasised its strong position on this issue, saying, "You kick the people out. We don't believe in keeping men in our building that can't act normal. Zero tolerance".

With regard to the policies of their suppliers, 64% of respondents said they did not know if these are in place. These results could be explained by the difficulty of gathering information across the supply chain. As one company reported, information provided by suppliers is "not accurate enough to have a full insight in what happens in terms of violence and harassment."

Various studies on this topic highlight the poor awareness of management and workers of workers' rights. This explains the lack of reporting and evidence. Victims are also reluctant to report abuse out of fear, shame, sensitivity of the topic or blaming themselves for what has happened. Victims also keep silent due to the social stigma associated with this issue, so as to avoid risking their reputation, damaging their marriage prospects or upsetting their partner. Some are afraid of being "punished" or losing their job. Given the extent of this problem, many women have, to a certain extent, "normalised" sexual harassment and unwelcome advances as a part of their lived experiences. The fact that men predominate in higher-level managerial and supervisory positions further adds to women's vulnerability.

"WE AIM TO BE WELL MANNERED AND COURTEOUS IN WHAT WE DO AND WHAT WE SAY, AND APPEAR TO BE SO. INTEGRITY STARTS WITH RESPECT FOR THE OTHER."

A SURVEY RESPONDENT

VIOLENCE @WORK: A TOOL TO SUPPORT COMPANIES

In May 2017, the Netherlands Enterprise Agency (RVO.nl) published a [brochure](#) to support companies in effectively preventing and eliminating violence at the workplace. By sharing workplace initiatives of SMEs, brands, unions and other key players, the guide illustrates how your company can contribute to the elimination of violence at work. It helps you to get started on creating a positive working environment where violence will not be tolerated.

A more extended [toolkit focussed on gender-based violence](#) has been prepared by the Training Centre of the ILO (ITCILO) and the Fair Wear Foundation.

JJH TEXTILES: INTRODUCING INCLUSIVE BUSINESS IN BANGLADESH

JJH Textiles produces custom-made knitwear and woven articles that are in line with its CSR obligations and meet the demands of ecologically conscious European clients. The company opened its first factory in northern Italy in the 1980s, where it produced T-shirts, polo shirts, sweatshirts and jogging suits. In the 1990s the company moved production of its training suits and shirts to Poland, and entered into a partnership with an Indian company to produce its T-shirts and polo shirts there. Sally Hamers worked in India for one year to build up experience, before she moved as the factory manager to the factory in Bangladesh. As a result of terrorist attacks they were forced to close their factory at the end of 2016. In this interview, she shares her experiences in running a sustainable business in Asia.



Going against the tide: introducing inclusive business practices in Bangladesh

“My goal for the Bangladesh factory was to employ 100% female workers. I wanted a female staff – myself included – to feel safe. Bangladesh is a Muslim country, and many women are prevented from attending school or completing their education. I wanted to support working mothers to be a positive role model for their children and the community. We worked gradually towards our goal, starting with an equal amount of men and women. As there were no female managers available, we had to train them internally, so we started free English lessons every day at 5 p.m. for two hours. Every six months we had a graduation day and started the next course. Bit by bit we replaced all our male managers with female managers. In our last year we had 160 employees. 95% were women.

Our company goes to great lengths to be a responsible employer. In Bangladesh we demanded high standards of our employees and paid living wages (60% higher than minimum wages). We offered plenty of opportunities for growth and development. Every employee started with a pilot contract. If they performed well it was changed into a permanent contract. We also introduced many improvements for the wellbeing of our workers, for example offering an hour break in case of overtime, which was a maximum of two hours. We had separate toilets for male and female, good health insurance, and so on. For childcare facilities, we formed a group of female employees to create ideas for this. I was a member of the child-care think tank, together with the female employees who were mothers themselves. The day care centre would be run by some of my employees. We

had an absolute zero tolerance policy for abuse or mistreatment by male colleagues.

I also experimented with different strategies to engage with my staff and seek their input. For example: I had a book that could be used by my employees to express a problem. A local trade union representative used this input for open discussions with me and my staff. There were no big issues, mostly about (more) money, but it worked because the communication lines were very short. He also acted as my translator.

Finding socially responsible suppliers and contractors

It is not easy to survive in the highly competitive RMG industry in Asia. We wanted to work in a sustainable way with respect for people. I demanded quality and a timely delivery from my suppliers and guaranteed a good price. I was reluctant to work with big clients. Not because of the high frequency of new collections, but because I would have to work with nightshifts. I needed time to implement a good safety net for my female employees. I also needed time to create a platform with correct and punctual suppliers, to operate in a responsible manner.

Unlike Europe, business contracts are not common in Bangladesh. As I had to outsource production of accessories – such as zippers, buttons and cartons – I used my local contacts to identify responsible suppliers.

For this we used a checklist to find out their policy on labour conditions. I paid random visits to their locations to get the whole picture. If I ran into child labour situations, it was immediately over and out!

Survival tips for ethical businesses

Make sure that you have a good and open relationship with your clients. They were always welcome to visit us, and we would show them around, and explain the CSR policy of the company. We would also explain the business culture in Bangladesh, especially how we organise the supply-chain responsibility and how we select our suppliers. Another lesson I learnt is how important it is to include the help of locals, of communities, of parents and to make them co- responsible for the outcome (for example the day care centre). You don't need all stakeholders at the same time. Keep the process simple and act accordingly. Make it clear that people understand their rights but also their obligations, so that at the end they feel empowered to claim these rights themselves."

Note: JJH Textiles was forced to close their factory in Bangladesh. So even with the best efforts and intentions companies may be unable to operate due to social and/or political dynamics beyond their control.



Photo credit: JJH Textiles

GIRLS
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4.6 HEALTH AND SAFETY

A safe and hygienic working environment is crucial for the wellbeing of your employees and for your company's productivity. Better health and safety conditions, as well as access to clean sanitary facilities, leads to lower incidences of absenteeism, improves the morale of your workers and prevents the spread of disease and illness. Maintaining proper facilities and safety measures (think of fire alarms, easily accessible doors and fire escape routes, safety trainings, etc.) also sends a message to your workers and buyers that you are concerned about employee safety and wellbeing. It is an essential part of your overall business case.

Even when you have ensured a well-functioning and safe work environment for your direct employees, it is not always easy to guarantee the same protection across the entire supply chain. According to the ILO, approximately 337 million people are victims of work accidents each year, and more than 2.3 million people die from occupational injuries or work-related diseases. Despite improvements over time, the Better Work programme found considerable levels of violations with occupational safety and health (OSH) regulations in its baseline assessments of 2,000 factory managers across five countries.

Gender-sensitive approaches to health and safety

Work that is predominantly undertaken by women is often presumed to be lighter, easier and safer than that of men, and consequently receives less attention. In reality, male and female workers have different roles and responsibilities, and may be exposed to different physical and psychological risks at the workplace. According to the World Health Organization (WHO) study, 'Building Healthy and Equitable Workplaces for Women and Men,' the health impacts on women directly linked to employment are also different from those of men. Women primarily suffer from urinary tract infections, poor menstrual hygiene, and the health consequences of sexual harassment, such as unwanted pregnancy, which may be aggravated by the lack of access to sanitation, reproductive and maternal health services.

The challenge for companies is to introduce a business-beneficial approach to health rights at work and improve access to women's health services. This means that companies should undertake a more comprehensive human rights due diligence, taking into account the kinds of questions that target potential violations of women workers' rights to quality health services, sanitation, education, and information.

Worker representatives can play an important role in the creation of healthy and equitable workplaces by documenting real work situations, providing workers with information, encouraging their participation, and supporting them in their individual and collective efforts, while at the same time taking into account the different realities faced by female and male employees.

Another approach is to collaborate with government to explore how public health resources can be leveraged to help companies address worker health rights and access to family planning. In Bangladesh, for example, the Ministry of Health Directorate-General for Family Planning reached an agreement with the Bangladesh Garment Manufacturers Export Association (BGMEA) to provide training and free contraceptives to BGMEA-qualified member factories.

The following table outlines some gender-specific facilities as well as the considerations that should guide your company's health and safety policy.



Health services

Hygiene, reproductive health and family planning, care relating to pregnancy, nutritional and breastfeeding counselling are quality health services that are particular to women and that should be provided onsite to workers or at external health services at reasonable quality, proximity and hours.

Women, and men, should have the freedom to take a rest and water breaks when needed and are allowed to take leave to visit non-emergency services from onsite or offsite health service providers. This is particularly important since long working hours and overtime can impact workers' ability to access health services as many of these facilities are not open after normal working hours.

Workers should also receive regular health and safety training, and such training should be repeated for new or reassigned workers. Care should be taken to protect workers from unsafe exposure to hazardous chemicals and substances, with special attention for pregnant women.



Nursing rooms and other child-care facilities

Flexible working arrangements for breastfeeding mothers helps to reduce stress, especially since such workers may already be struggling to balance work with their childcare responsibilities.

In general, providing child-care services (either on- or off-site) helps both women and men workers with family responsibilities. They may be especially important for women migrant workers as it allows them to keep their children with them rather than having to send them back to their community to be taken care of by other family members.



Toilets

All workers should be provided with access to sufficient clean toilet facilities and to clean drinking water and, if applicable, sanitary facilities for food preparation and storage.

Male and female workers should have separate toilets that are equipped with soap, water, paper to ensure good hygiene practices. There should be proper disposable bins and feminine hygiene products available to women workers.



Transportation

If required, employers should organise safe transportation to and from work, especially in cases of overtime or late/early shifts.



Accommodation

Accommodations, if provided, should be clean, safe, and should meet the basic needs of the workers.



Health, safety and facilities: In their own words

IS SAFETY AND HYGIENE PART OF YOUR SUPPLIER CODE OF CONDUCT?

63%
Yes

5%
No

5%
I don't know

27%
We have no Supplier
Code of Conduct

IS ACCESS TO FACILITIES PART OF YOUR SUPPLIER CODE OF CONDUCT?

50%
Yes

5%
No

5%
I don't know

40%
We have no Supplier
Code of Conduct





More than half of companies (63%) that responded to the Plan-Accenture survey said that health and safety issues are included in their supplier code of conduct, while 50% address access to facilities. Some companies reported that their suppliers are expected to sign a health and safety agreement as part of the contracting process while another company said it recognises that “people are our biggest asset so we take good care of everybody.” However, another respondent said that this is limited to workers with a permanent contract, “otherwise people just want to get a job with us for the extra’s.” The only concrete example of facilities mentioned in the survey was the provision of separate toilets for men and women.

In the case of suppliers, only 23% of respondents could confirm that this group was also implementing health and safety measures. One company reported that some of their suppliers have health and safety policies in place, such as compensation for injury at work, payment of hospital bills and provision of safety uniforms and tools.

EOSTA: Putting things in practice

Eosta is among the leading importers, packers and distributors of organically grown fresh produce in the Netherlands. They serve major retailers and natural food stores in Europe, North America and the Far East. Eosta buys its products from around 200 producers (both smallholder farmers and larger companies) across the globe. Eosta states that it understands that the role of women is often invisible and that it is common practice that their rights are not respected. For the company, gender and women’s roles and rights are an integral part of the business. Eosta’s gender policy focuses on ensuring equal rights for men and women and supporting women “beyond certification.” Examples are promoting women’s membership of trade unions, and providing a range of basic facilities, including child-care, improved drinking water, sanitation and hygiene, and education for women and children.



Photo credit: Plan International / Nik Wheeler





4.7 FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING

One of the primary aims of labour unions is to protect the universal human rights of workers, as well as the broader community within which a company operates. More specifically, labour unions advocate for the freedom for workers to be represented and to organise themselves in a trade union. The right to organise is a fundamental labour and human right. Every individual has the right to collective bargaining over employment conditions (such as salary and remuneration, working hours, rest periods and benefits). This right has been laid down in diverse global rights frameworks, including the Universal Declaration of Human Rights, ILO conventions and the OECD Guidelines for Multinational Enterprises.

Unfortunately, workers in many countries face many barriers to organising themselves. In the first place, it can be very risky to join a trade union. Many trade union leaders have lost their jobs, or even their lives, for being active in a union and for speaking out about violations of labour and human rights. According to ITUC's [2017 Global Rights Index](#), the top 10 high-risk countries are Bangladesh (where unionisation is often still forbidden in free trade zones), Colombia, Egypt, Guatemala, Kazakhstan, the Philippines, Qatar, South Korea, Turkey and the United Arab Emirates.

Even when workers may not face direct risks for participating in union activities, they may be unaware of their rights, let alone how to defend them. Global competition, technological advances and other dynamics within value chains are driving structural changes in employment conditions, which make it increasingly difficult for workers to organise, or access the kinds of support that are traditionally provided by unions. Today, workers are more likely to be employed in flexible or part-time jobs, or to be part of outsourced production chains and other emerging employment relationships. All of these have a negative impact on workers' rights, especially for the most vulnerable and low-paid workers, such as women migrants.

A third important factor that hinders the freedom of association and the right to collective bargaining, especially for women workers, is that organised labour is itself often gender biased. Not only are women poorly represented at leadership levels in trade unions, but the representation of women's specific interests (such as maternity leave, child care, health care, daily meals, sanitation facilities) is also weak. Women may find it difficult to attend trade union meetings because the venue, or timing of such activities may be difficult to combine with their family and childcare responsibilities. But sometimes women may simply not be aware or informed about these opportunities. This could be an oversight due to communication challenges, but sometimes women workers may be intentionally left in the dark by their representatives, for example when trade unions fail to recruit representatives from non-permanent (predominantly female) workers. Fear of abuse and harassment may also make women more reluctant to voice their concerns about work-related matters.



Freedom of association and collective bargaining: In their own words

IS THE FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING PART OF YOUR SUPPLIER CODE OF CONDUCT?

45%
Yes

9%
No

14%
I don't know

32%
We have no Supplier
Code of Conduct





The Plan-Accenture survey found that 45% of responding companies have included freedom of association and the right to collective bargaining in their supplier code of conduct. “We are audited by BSCI for that,” said one respondent, while another remarked that freedom of association is a (Kenyan) government requirement, “...so we respect that.” Only 9% of respondents indicated that this is not the case. However, when asked about the broader value chain, many respondents found it difficult to confirm whether their suppliers respect these labour rights.

When asked about problems encountered with respect to these rights, only 5% of respondents stated that they had encountered problems. 35% of respondents said they do not think this is the case, while 32% replied that they don’t know, or the question is not applicable to their case.



See this video about the importance of social dialogue in Indonesia and the role of CNV Internationaal.

THE IMPORTANT ROLE OF LABOUR UNIONS IN REALISING YOUR COMPANY'S HUMAN RIGHTS RESPONSIBILITY

Arend van Wijngaarden is Vice-President of the National Federation of Christian Trade Unions (CNV) in the Netherlands. He has longstanding experience in the world of labour unions and is a passionate advocate of freedom of association and the right to collective bargaining. CNV's conviction is that employees and employers may have conflicting interests, but also share a common goal: the continued success of the business.

In 2016, the labour union signed the International Corporate Social Responsibility Covenant on garment and textiles, together with other labour unions, government, trade organisations and companies in this sector. Van Wijngaarden reflects on the potential of this new covenant, and outlines how CNV, in collaboration with its partner unions in Asia, is working to ensure that manufacturers adhere to the new labour guidelines in garment factories. He starts by explaining how companies can support freedom of association and the right to collective bargaining.



The role of companies in advancing labour rights

"International companies can make a clear statement that their investment comes with non-negotiable principles, one of which is trade union freedom. They can facilitate their suppliers by making information available about the right to associate, provide copies of their company policy and collective labour agreements (in their own language) and provide space for labour union activities. In countries where this right is restricted under law, the employer should facilitate, and not hinder, the development of parallel means for independent and free association and bargaining. Employers should never use any form of physical or psychological violence, threats, intimidation, retaliation, harassment or abuse against union representatives and workers. This is irrespective of the sex, or background of those who are seeking to form or join an organisation of their own choosing. This might sound very straightforward, but in many countries this is unfortunately still not the case. I know of too many union leader colleagues who face constant and serious intimidation. Some have lost their jobs and even their lives.

Gender equality in the workplace

It is important to stress the rights of both men and women to freedom of association and the right to collective bargaining in your company policy, and to prohibit any related gender-based discrimination within your supply chain. Through social dialogue, brands

are held accountable for respecting non-discrimination and non-violence against women, among other negative practices. Unions play a key role in this and establishing a good working relationship with your union representatives is key. By respecting your workers' right to free association, you increase their involvement in your company and eventually contribute to positive business benefits.

One way of enhancing this collaboration is for management to jointly identify risks and discuss cases with unions, for example situations of unequal payment or (sexual) harassment. Unions can also support companies and employees to set up a grievance mechanism and help employees to handle complaints. They can also share experiences on how to end gender base violence. An example of this is establishing gender harassment committees. Unions can think with you on how to integrate childcare facilities, clean toilets, hygienic conditions and maternity benefits and/or anti-violence issues into your company's labour strategies and collective bargaining agreements. One example of this is Nike in Cambodia. After serious accidents and complaints, the company engaged in social dialogue, which resulted in better working conditions. For example, labourers now get time for a proper lunch break, there is a school on the factory grounds for workers' children, as well as a health clinic. Workers have also received better maternity leave arrangements. These efforts resulted in more content workers with a stronger commitment to the company."





4.8 EMPLOYMENT RELATIONSHIPS

The employment relationship is the legal link between employers and employees through which a person performs work or services under certain conditions in return for remuneration. This relationship also ensures that workers are able to access the rights and benefits associated with employment. Workers enjoy the most protection if they are in a formal employment relationship established in compliance with national legislation and practice and international labour standards.

As you have seen in previous chapters, certain global supply chains and sectors – especially textiles and garments, horticulture and floriculture – are known for their large numbers of female workers. Many low-paid workers are also migrants who move to cities from the rural areas, or travel to other countries in search of income-generating possibilities. Many of these workers do not enjoy the benefits of being in an employment relationship as they are often unaware of their rights and, having moved away from their communities or family support systems, they may also have less social capital. As noted in the chapter on forced labour, women and girls in this vulnerable position are more prone to exploitation and unfair employment relationships, which is exacerbated if they are employed through a recruitment agency.

As global companies face tough competition they explore a variety of strategies to lower their production costs, especially at the lowest tiers of their supply chain. This has a direct impact on the lowest-paid and most vulnerable employees, who are expected to work longer hours and produce more for even less pay. It is these employees – many of whom are women – who are least likely to enjoy a formal employment contract and the legal protections it brings. This also reflects global employment trends where workers are expected to be more flexible and where production is increasingly being outsourced to smaller and cheaper suppliers.

Such flexible arrangements include “labour-only” contracting, sub-contracting or home-working arrangements, as well as apprenticeship schemes where there is no real intent to impart skills or provide regular employment. This goes against international and national labour standards that forbid the excessive use of fixed term employment contracts and comparable arrangements that weaken the position of the employee. Workers who are forced into such informal arrangements face job insecurity, and no or limited social protection (including childcare, maternity leave or adequate health and safety standards). While homeworking or part-time/seasonal work may be an avenue for women’s empowerment by enabling them to combine their productive and reproductive roles, it also raises the likelihood of exploitation and unfair working conditions. Self-employed women are also often forced to bear most the operating costs themselves (such as purchasing and maintaining work tools and equipment, electricity and water charges, and communication costs).

As a company you do not have to engage in a “race to the bottom” to survive. As we have discussed in preceding chapters, there are positive examples of companies that have recognised that being innovative and fulfilling their corporate social responsibility – including ensuring the welfare of their employees – pays dividends in terms of their productivity, reputation, and, ultimately, their balance sheet. A number of companies have also seized the opportunity to integrate more women into the formal economy and to work more closely with their suppliers in order to comply with labour and sustainability standards, and reduce the associated risks. Supplier codes of conduct offer an entry point towards making this shift by, amongst others: specifically addressing different types of employment; and protecting special employee categories such as migrant, juvenile, contract/contingent/ temporary, home workers, pregnant or disabled workers. Codes of conduct also ensure that such non-traditional employees also receive proper compensation and access to minimum social provisions (such as maternity and statutory social security protection).



Employment relationships: In their own words

ARE EMPLOYMENT RELATIONSHIPS PART OF YOUR SUPPLIER CODE OF CONDUCT?

36%
Yes

9%
No

14%
I don't know

41%
We have no Supplier
Code of Conduct



The Plan-Accenture survey found that more than one-third of respondent companies address employment relationships in their code of conduct and only 9% do not. Again, reference was made by some to BSCI. An interesting approach shared by one of the companies was to have a special book in the factory, "which we open every 2 to 4 weeks to talk about the issues workers want to discuss." Several respondents said that, as a result of open communication they do not experience major problems in this area. Only 5% of respondents reported issues with respect to employment relationship. However, it is noteworthy that the majority of respondents (72%) were unsure or felt that the question was not applicable. Similarly, almost two-thirds of the companies surveyed were unaware if their suppliers pay attention to this as well.

Finding decent work for young women

For a young person today, it's hard to make a decent living. Youth unemployment is growing at an exponential rate in developing countries. According to estimates, a staggering 95 million young people around the world were unemployed in 2016. For large numbers of young people it is hard to find a paid job, either because they do not have the right knowledge, skills or educational background, don't know where to find the vacancies, or lack work experience. Girls and young women are disproportionately excluded from full economic participation, because of culturally and socially determined problems (such as early marriage or lack of equitable access to educational opportunities). In most cases, those that do find a job do not earn enough to lift themselves out of poverty, or remain stuck in informal jobs. Consequently, Plan has developed a strategy to tackle unemployment affecting disadvantaged young men and women.

Plan's Youth Economic Empowerment Programme

For the past seven years Plan Nederland has implemented its Youth Economic Empowerment (YEE) programme in five Asian (India, the Philippines, Vietnam, Thailand and Indonesia) and two Latin American countries (Brazil and the Dominican Republic). They include the flagship 'Saksham' (Hindi for 'I can do it') project in India, and the 'Goals for a better life' project in Brazil. YEE is implemented in collaboration with several companies, including Accenture and the G-Star RAW Foundation (GSRD). See this video for more information.

Across the programme countries, at least 60% of the young people involved in YEE projects are adolescent girls and young women. Through linkages with Plan's Young Women's Entrepreneurship Development programme, YEE helps vulnerable young women to start their own small businesses, so that they can adequately and sustainably support themselves and their children and avoid resorting to more hazardous and exploitative options, such as migration or the sex industry. The project achieves this outcome primarily through business training and mentoring of young women.

Plan trains and guides young women so they can successfully apply for a job with a local employer, or have sufficient skills to move into self-employment. Participants go through a three-month, market-based, vocational training course in the areas of marketing, sales, customer relations, hospitality and retail. The training features a combination of technical and soft skills that includes building participants' confidence to talk about themselves, work in a team, and go through the application process. The courses also cover computer skills and basic English. Once they have completed the training, the programme supports participants to find an internship with local companies, following which they are guided to find a permanent job. The local business community is directly involved to ensure that the training is well-matched to local market needs. It is this combination of practical skills and market demand that makes YEE so successful.

Plan's experience is that these initiatives can be successful in enabling disadvantaged young people to claim their rights to safe and fairly compensated employment, while facilitating access to concrete work experience and ultimately creating linkages to sustainable jobs or self-employment. To date, more than 16,000 YEE participants have transitioned to work, after enrolling and completing vocational skills trainings, agricultural or microenterprise development training.

Plan Nederland is part of the Plan International network, which is active in 51 countries around the world. Plan primarily works through local organisations and movements to build capacity and strengthen communities-led advocacy and influencing. Plan is also involved in diverse local, regional, national and global partnerships, and collaborates with the private sector, international institutions and other organisations who share our goals. Plan is a member of the UN Global Compact and S4YE (Solutions for Youth Employment) - a global partnership that includes the World Bank, Accenture and several international NGOs. Plan engages with private sector in various forms: through long-term strategic partnerships, customer and brand engagement, employee engagement, advocacy and campaigning and well investing corporate donations. The corporate partnerships at the national, regional and global level play a central role in jointly achieving this and finding innovative solutions, as well as fresh and bold perspectives.

Plan's partnership with Accenture

Accenture has been cooperating with Plan for many years to tackle youth unemployment in Asia, Latin America and soon in Africa. The partnership features an excellent match of core competencies:

- Plan brings presence and experience in local communities, which provides access to the target group, as well as experience with youth employment programmes and a network of NGOs for collaboration.
- Accenture brings technical expertise, financial support, access to a network of businesses, and local market information.

Plan's partnership with the GSRD Foundation

The GSRD Foundation is committed to making a long-term contribution to communities in G-Star's production countries, where the products of the Amsterdam Denim brand G-Star RAW are made. Since 2010, the GSRD Foundation has partnered with Plan Nederland and supports projects that focus on:

- **Education:** Vocational training for children and adolescents, concentrated on both knowledge and skills, to improve their chances of going on to learn a profession and having a better future.
- **Entrepreneurship:** Grants, loans and training for entrepreneurs, to bring about more small businesses in communities and to develop local economies.

"PLAN TRULY HAS ADDED VALUE: WE AREN'T PRESENT IN THE PLACES WHERE SUPPORT IS NEEDED MOST. WE NEED PLAN TO DESIGN AND SET UP TRAINING PROGRAMS, AND TO REACH THE TARGET GROUP. IT MOTIVATES OUR EMPLOYEES AS WELL AS OUR CLIENTS WHO FIND IT INSPIRING AND ALSO EXPECT THIS KIND OF SOCIAL ENGAGEMENT."

SAVITRI GROAG, C&R MANAGER THE NETHERLANDS AT ACCENTURE:

Interested in Youth Employment Solutions, please watch this video



GIRLS
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4.9 MANAGEMENT SYSTEMS

Some company codes of conduct include a “management systems” section, which offers guidance for suppliers on how to operationalise the principles and the types of measures they should put in place to monitor the implementation of these standards. In putting together such management guidance, it is important to bear in mind the need for compliance with applicable laws and promote continuous improvement with respect to the expectations set forth in your code of conduct. Your company can also agree on a realistic implementation plan to provide for any necessary adjustments.

One of the fundamental issues that you should address in the management systems section is how to ensure that suppliers understand how integrating gender-sensitive provisions will impact on their own management systems. It follows that any changes in your supplier code of conduct will require additional supplier engagement and effort. It is therefore necessary to clearly articulate the business case for gender equality, especially in terms of productivity gains and reduced costs that suppliers can expect. Some of the elements that you might emphasise as to ensure conformity to the gender-sensitive code of conduct principles could include:

Company commitment, policy and procedures:

These must be effectively communicated to all female and male workers, whether they are directly employed by the organisation, contracted through a third party or working for a customer, supplier or sub-contractor. It is essential to ensure that such communication is available in all languages spoken by your staff and suppliers.

Communication and training at all levels of the organisation:

This is essential for the effective implementation of your code of conduct and associated policies. It is also important to ensure that your suppliers communicate these principles to their own suppliers. This is because many gender-related abuses, as well as other cases of non-compliance with codes of conduct, are often perpetrated by sub-contractors.

Regular monitoring, documenting and auditing:

This entails tracking the effectiveness of your actions using quantitative and qualitative indicators and targets, while also taking into account any associated (gender-related) risks. It is crucial to use gender-disaggregated data collection methods in order to identify the differential impacts on male and female workers. To effectively carry out such assessments you will need properly trained, and gender-aware auditors who are able to monitor the (often subtle) nature of prejudicial practices on the work floor. For example, you should ensure that auditors have experience with gender-sensitive assessments, both on- and off-site. These may include the use of participatory auditing methodologies such as women-only focus groups.

Confidential, unbiased and non-retaliatory grievance procedures:

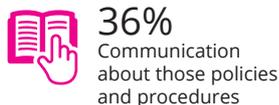
It is crucial to provide an environment that allows female and male workers to freely make comments, recommendations, and reports or complaints concerning their treatment in the workplace. The biggest challenge in this is building trust among workers, especially women. This can be partly mitigated by formalising your grievance procedures and creating a gender-balanced structure to process complaints.

A key success factor in rolling out these requirements is building your suppliers' awareness and capacity to adjust their practices. It is usually more cost-effective to collaborate with other brands in such efforts, which has the added advantage of reaffirming that gender equality principles are becoming increasingly common place within international value chains.



Management systems: in their own words

WHICH OF THE FOLLOWING MANAGEMENT SYSTEMS DOES YOUR COMPANY USE TO ENSURE GENDER EQUALITY?



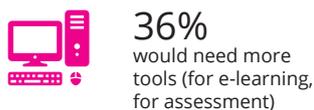
Companies that participated in the Plan-Accenture survey reported that they primarily use the following instruments to ensure gender equality in their supply chains: developing gender policies and procedures (45%); communicating about these policies (36%); allocating resources to enhance gender equality (9%); facilitating gender awareness training (23%); activating grievance procedures (14%); establishing sex-disaggregated targets (14%); and enhancing gender awareness among auditors (9%). 14% of respondents stated they did not know the answer.

One company expressed skepticism about the added value of a management system, stating that, "...We don't believe in a system, we are working with real people with real talents. We believe in loyalty and hard work. We train our people from the bottom to the top, that is the only way to make them understand our vision."

"WHAT WE NEED IN VIETNAM TO REALISE OUR AMBITIONS IS TIME AND PEOPLE WHO HELP WITH INNOVATION. DUE TO THE DAILY WORKLOAD, INNOVATION IS OFTEN COMPROMISED. WE NEED PEOPLE WHO CAN CRITICALLY LOOK AT OUR PRODUCTION AND ADVISE ON WHICH AREAS WE CAN MAKE PRODUCTION MORE EFFICIENT (AND THEREFORE CHEAPER). IN ADDITION, WE NEED PEOPLE WHO CAN SELL OUR PRODUCTS. OUR CURRENT SALES TEAM IS VERY BUSY! SO ALL IN ALL, PEOPLE (HOURS) AND EXPERTISE ON INNOVATION AND PRODUCTION EFFICIENCY!"

MONIQUE ANSINK, EXCELLENT PRODUCTS

WHAT KIND OF SUPPORT COMPANIES CAN USE TO IMPROVE THEIR GENDER POLICIES AND PRACTICES?





Part of the Plan-Accenture survey concerned the kind of support areas in which companies could use support to improve their gender policies and practices. As presented in the following figure, 36% of the companies indicated their interest in tools (for example for e-learning or assessments). Other companies mentioned knowledge and expertise (36%) and training, for example to sensitise staff to the need of gender equality investments and about local, social and cultural norms.

Tools for inspiration

For some inspiration and support, it is interesting to look at the tools that have been developed by other stakeholders:

- IDH recently launched a [gender toolkit](#) to help to operationalise solutions to achieve gender equality and empowerment.
- BSR published guidelines on how to integrate gender equality considerations across nine traditional code of conduct principles, with a specific focus on developing and emerging market-based supply chains (see section 3).
- The [Fair Wear Foundation](#) developed and tested innovative ways to improve working conditions at garment factories.
- The fair trade organisation, UTZ, addresses gender equality through a code of conduct, and through partnerships and projects at sector level. It has also developed a [gender toolkit](#).
- For companies that want to start their due diligence processes, the [CSR Risk Check](#), developed by MVO-Nederland, is aimed at entrepreneurs who purchase internationally produced products, export products or produce abroad. This tool outlines some of the main risks, including gender inequality, that you should take into account in the country you want to do business in.
- For more general information when starting up a new business in a new country, the [Dutch enterprise agency](#) (Rijksdienst Voor Ondernemend Nederland) functions as the entry point and service desk for companies who intend to do business abroad.

INTERVIEW WITH WORLD LEADING FOOD RETAILER

How can a world leading food retailer leverage its innovative business approaches and global positioning to tackle the challenges of gender equality and other labour rights issues across its supply chain? The person in charge for product safety and social compliance of food and non-food products of such a retailer sheds some light on this challenge.



Multinationals' role in promoting social innovation

"When faced with a human rights violation the first question we always ask ourselves if we are in the position to make demands and to negotiate. We want to have clear goals and to be able to make sustainable changes. If we have a small leverage, like with individual products, it is very hard to be demanding and to improve. We will only proceed if we have the means and position to do so.

For instance, we occasionally run against issues with child labour at suppliers' production locations. If we lack sufficient leverage, we immediately end the deliveries until the supplier can prove that they have taken the right precautions. In some cases where we have less leverage as a single customer, we have worked with BSCI to start a social dialogue. We are very content with BSCI's support in these matters to prevent the termination of the supplier contract, while the necessary improvements are made. Of course we have influence on a national level, in covenants for instance, to convene our message. There are few major manu-

facturers who are not delivering to us. As a world-leading retailer we naturally take our social responsibility and are accountable, but this does not mean that we have a dominant position regarding remediation. Suppliers simply will decide to go to other, less demanding customers.

Addressing gender equality in supply chains It may sound odd, but we have little issues that we found taking place regarding gender policies and practices in our supply chain. We are very cautious about handling 'single' issues. Instead we include in our audits a whole range of topics that are interrelated, such as discrimination, equal pay, health & safety, and working hours. Issues we face are with young workers and migrant workers and this is where we put extra focus.

So we could conclude that, at the moment, the 'sense of urgency' about gender dilemmas is not high enough, based on what we hear, see and do. But I'm aware though that there are issues, like the absence of separate toilets. And there are many women in our supply chains."

PARTNERING FOR GENDER EQUALITY IN THE FRAMEWORK OF THE SDGS: THE ROLE OF VNO NCW

Strong joint efforts and innovations from companies, knowledge institutions, financial institutions, CSOs and governments are needed to achieve the SDGs. The Confederation of Netherlands Industry and Employers (VNO-NCW) supports Dutch businesses in their efforts to contribute to solutions to global challenges in areas such as food and water security, the circular economy, innovation and human rights. In this interview, Marhijn Visser, Secretary of VNO NCW, lifts a tip of the veil on VNO NCW's role.



About the role of VNO-NCW

"In August 2017, together with our partners MKB-Nederland (an association of Dutch entrepreneurs) and the Global Compact Network Netherlands, we published the brochure, 'Global Challenges, Dutch Solutions: Entrepreneurs and Their Sustainable Development Goals'. We discuss top sector policy and present examples of initiatives that are helping to orient Dutch research to find innovative solutions for societal challenges in collaboration with business. This approach fits the Netherlands perfectly. VNO-NCW sees its role as facilitating 'company practitioners.' We do this by providing a safe space for practitioners to share experiences, learn of new trends and developments, connect and network, and influence the business position on important dossiers.

If we look at gender equality, while there are some innovative and successful initiatives, it is not easy to establish alliances, partnerships or multi-stakeholder dialogue processes on this topic. VNO-NCW is aware of the challenges involved. NGOs and corporates do not automatically share the same ambitions, organisational cultures, or way of working. Bigger companies have a different speed than the smaller ones, and sometimes different values with respect to transparency and accountability. The participation of SMEs is still rather limited, which should also be considered a challenge to invest in.

Top Talents

A concrete example of how VNO-NCW promotes gender equality within companies is the Top Women Foundation, which we

launched in collaboration with Talent to the Top Foundation. Our goal is to ensure that the number of female commissioners and directors in business grows further and faster. One of the steps we have embarked on is to expand the Topvrouwen database over the next two years under the leadership of the new foundation. Some companies such as Unilever are already real frontrunners in working on gender equality within their core business and building a gender-balanced leadership. Unilever's commitment to diversity and inclusion is part of its Code of Business Principles. For the multinational safe working conditions, freedom of association, fair wages, protection from forced labour, and freedom from harassment and discrimination must become universal operating conditions. Some more practical ways they are doing this is for example by ensuring balanced female-male participants and speakers during events.

Gender-based violence

We view different forms of gender-based violence in the workplace as part of the agenda on harassment. This is because currently there is no internationally agreed law that deals with this issue. An ILO standard would send a strong message that violence is NOT part of the job. This subject (Violence against women and men in the world of work) is on the agenda of the 2018 International Labour Conference (ILC) as a standard-setting item. In preparation of this Conference, the Dutch government filled in a survey about the proposed standard and opted for a Recommendation. The VNO-NCW supports the Dutch government point of view."



5. PROMOTING GENDER EQUALITY IN THE WORKPLACE: SOME TIPS FOR COMPANIES

This publication has explored the issue of gender equality in global supply chains from diverse perspectives. The nine preceding chapters have outlined how gender inequality is related to various labour standards and how you, as a global company, can safeguard labour standards and gender equality through a supplier code of conduct and in cooperation with your suppliers. The results of the Plan-Accenture survey findings, which have been highlighted throughout the document, show that a number of companies are aware of the benefits of empowering women and are exploring ways to introduce a (transformative) gender approach in their business model. For many companies, however, gender remains a blind spot, or they find it difficult to incorporate it in a meaningful way in their day-to-day business practices.

Based on the preceding chapters, the table below highlights some of the gender issues which should be addressed by your company in your supply chains, and ideally are included in your supplier code of conduct. These tips (though not exhaustive) can also be applied as a quick checklist to ensure due diligence across the entire value chain, irrespective of whether there is a contractually agreed code of conduct between your business and your suppliers. Based on these issues, you can also develop an action plan and timeline, in which you indicate how to gradually address these issues together with your suppliers.



Non-discrimination

- Ensure equal recruitment, contracting, training, promotion, and retirement terms for equal jobs.
- Ensure that training and professional development opportunities are accessible to both male and female employees.
- Promote equal opportunities to permanent jobs and management positions for men and women.
- Ensure that female employees (and other discriminated groups) are aware of their rights and opportunities under labour laws. This includes communicating your code of conduct and other policies in local languages, including to flexible workers.



Wages & benefits

- Provide equal pay and benefits for equal tasks.
- Pay a living wage that meets the basic needs of workers and their families.
- Do not allow deductions from wages for disciplinary measures.
- Facilitate female employees' control over their income (for example through providing support with opening a bank account to safely receive their salary and other payments).
- Provide education and training opportunities for young girls and women so they can empower themselves.
- Provide measures to ensure adequate social protection for female workers (such as paid parental/maternity leave and childcare, allowing time as well as a decent space for mothers to breastfeed or express milk, and a return-to-work guarantee.)



Working hours and conditions

- Make sure that your company's working hours are in line with applicable laws and industry standards.
- Respect guidelines for overtime, which should be voluntary and compensated at a premium rate and should not exceed 12 hours per week, or be demanded on a regular basis.



Forced labour

- Make sure there is no use of child, or any forced labour, across your supply chain.
- Ensure workers' right to free movement.



Harassment and abuse

- Prohibit all forms of violence and sexual harassment in the workplace by having a clear policy and organising trainings and awareness raising on these issues.
- Invest in preventive measures such as safe transportation for all employees.



Health and safety and access to facilities

- Understand possible health and safety risks in your supply chain and ensure adequate provisions for workers (including home-based and contract workers).
- Guarantee good quality, safe, hygienic working conditions, appropriate for your branch/industry.
- Provide separate toilets (and washing facilities) for men and women.
- Offer adequate support for pregnant staff as well as new parents, including maternity leave, child-care support – both on- or off-premises – and flexible work arrangements if required.
- Provide adequate support for sexual and reproductive health, safe food and water, sanitary facilities and extra protection against dangerous chemicals for pregnant women.



Freedom of association and right to collective bargaining

- Make sure workers across the entire supply chain are aware of their labour rights and opportunities, as well as relevant policies and procedures within the company.
- Recognise and facilitate workers' rights to collective interest representation and collective bargaining.
- Collaborate with local labour unions.



Employment relationships

- Ensure equal employment opportunities as well as the right to stable and protected employment for men and women.
- Promote access to decent employment for girls and young women.
- Collaborate with local organisations and other stakeholders (such as women entrepreneurs and distributors along the value chain) to expand employment opportunities.



Management systems

- Be transparent and accountable in your business operations. Ensure adequate and regular training for management and supervisors in your subsidiary companies, as well as your supply chain, so that they understand the importance of, and business case for, labour standard implementation.
- Provide incentives to managers (and hold them accountable) to implement the above measures and meet measurable targets for gender equality.
- Make efforts to set targets, where feasible, for sourcing from women-owned businesses.

In addition, your company can take a number of general measures as well as strengthen women's economic empowerment and achieve gender equality across your supply chain(s):

With respect to your engagement with suppliers:

- Make efforts to visit your suppliers to understand the realities on the ground, and, where possible, collaborate with other stakeholders to ensure a level playing field across the value chain.
- Suppliers' standards can be cascaded throughout the supply chain. Engage with your suppliers and try to convince and support them to establish end-to-end standards in your supply chain, hence going beyond the first tier. Communicate your expectations well and include these in written contracts. Long-term relationships with fewer suppliers are recommended and invest in trust building. You can jointly create incentives to raise their standards.
- Engage with local trade unions and NGOs, as well as other civil society actors and networks, to investigate whether equal rights are being promoted at all stages of the supply chain. If this is not the case, ensure that the relevant enterprise or supplier draws up a time-bound plan and eventual corrective action plans, and provide support to ensure their implementation. Make sure you communicate possible sanctions – including termination of the supply contract – if the concerned enterprise/supplier fails to act.

With respect to increased awareness of gender equality issues within your supply chains:

- Be careful not to make gender equality and/or diversity a “niche” issue that only the sustainability team or executive leadership addresses. Defining corporate priorities for women's empowerment requires a strategic approach that is based on a thorough due diligence and prioritisation of risks.
- Be conscious that it can be a rather daunting task to implement these measures in a country or economic sector where certain social norms, ethical values, working practices and economic forces are in themselves amongst the root causes of gender inequality. In reality, this task is frequently too big for individual companies (even if they are global leaders) to complete on their own. Let alone for SMEs. Even when companies conduct regular, and “gender-aware,” audits of their business practices along the entire value chain, the required solutions are often too complex for an individual company to handle. It therefore makes sense to collaborate with other companies and value chain actors (including the women themselves!) to pool knowledge, expertise and resources. In this way, you can create leverage and make implementation more efficient.

True, achieving gender equality is a complex task, and especially so for global companies that span many geographical regions, cultures and business contexts. But does this mean that we should give up on this goal? Absolutely not! Remember, you are not alone in this endeavour. There are thousands of actors out there, including NGOs and CSOs, government institutions, labour unions, universities and schools and social enterprises, with a strong commitment to achieving gender equality as a crucial “enabler” of the SDGs. Companies can, and should, partner up with this international community and resource, while also exploring other forms of collaboration in their immediate spheres of influence.

GIRLS
ADVOCACY
ALLIANCE



6. LOOKING AHEAD: JOINING FORCES TO ACHIEVE GENDER EQUALITY IN GLOBAL SUPPLY CHAINS

Equality between men and women is a universal international precept – a fundamental and inviolable human right. Yet as we have discussed throughout this report, women continue to face diverse forms of discrimination and exclusion in the workplace. In Chapter 4, we have highlighted a range of practical examples of good business practice to tackle gender inequality and discrimination, in line with nine globally recognised labour standards. For each of these areas, we have provided some practical tips and suggestions that can help you address gender and rights issues in your core business operations, and across your entire supply chain(s) in collaboration with your suppliers and business partners.

This report has also highlighted the voices of several stakeholders in global supply chains, offering unique insights into the challenges, but also some unexpected entry points, for tackling what are often deeply entrenched practices and vested interests behind gender discrimination and abuse of workers' rights. All have underscored that companies cannot “do it alone” but need to explore ways to collaborate with a range of business, as well as non-business actors if they are to get to the heart of these multi-faceted and complex issues. Thus, in other words, dealing with gender in global value chains calls for systemic, industry-wide solutions, and new ways of thinking and working with many other stakeholders.

This chapter highlights the potential of multi-stakeholder initiatives to address the challenges in eliminating gender inequality in supply chains. It explains the function of multi-stakeholder initiatives, the actors and their different roles and the key success factors. We close this chapter by inviting you to join forces to achieve gender equality in global supply chains.

6.1. MULTI-STAKEHOLDER INITIATIVES

The functions of multi-stakeholder initiatives

Over the course of the last decade, several (national and international) multi-stakeholders initiatives have emerged to tackle the complex challenges in global supply chains. According to an evaluation, conducted by CSR Asia, of several initiatives such as the Roundtable on Sustainable Palm Oil and the Ethical Trading Initiative, multi-stakeholder initiatives can perform a range of functions. These include:

- increasing the awareness about social and environmental issues in an industry
- promoting the mutual understanding, respect and trust among stakeholders
- generating joint problem definitions and analyses of root causes
- developing more sustainable, responsive and inclusive strategies and piloting possible solutions
- setting industry level standards that are recognised by all stakeholders
- creating learning, training and capacity building opportunities across the supply chain of an industry.

The role and contributions of different stakeholders

Addressing gender inequality in supply chains through multi-stakeholder collaboration requires the involvement of different stakeholders. In addition to other companies, your supply partners and their contractors, the contributions of trade unions (in particular those composed by female workers), NGOs, national and local governments, universities and knowledge institutions are essential. Furthermore, an effective multi-stakeholder initiative needs to ensure the meaningful engagement of girls and young women themselves, not only the female factory employees but also the girls and women further down the supply chain (temporary workers, homeworkers).

In the next table, we provide an overview of these main stakeholder groups and the different roles, strengths and capabilities that they can contribute to achieve gender equality in supply chains.



CSO

Working with NGOs and trade unions help companies to, amongst others:

- improve their credibility, legitimacy and brand reputation
- build greater employee motivation, loyalty, and productivity
- gain access to NGOs' specialised know-how, including access to local and international networks and proven models of implementing gender equality in supply chains
- better understand development issues from the not-for-profit sector perspective which supports their own to organisational learning and contributes to systemic change
- access additional funding and local new markets ("Base of the Pyramid")
- reach more people in local communities and the ability to improve a company's reputation in those communities.



Universities

Universities and knowledge institutions can support companies by:

- providing information and knowledge about creative solutions to transform operational activities
- developing new, added-value products and marketing opportunities that address sustainability and other stakeholder concerns.



Governments

Governments have a role to play in, among others:

- setting the legislative and regulatory framework for gender-sensitive value chains and enforcing legal standards
- bringing industry interests and other stakeholders to the table to agree on norms and guidelines for sustainable and inclusive value chains
- contributing to social investments in childcare, disability and elderly care programmes
- sharing risks and supporting local markets, which ultimately supports economic growth.



Businesses

Companies themselves can contribute by:

- providing decent jobs and a living wage to the lowest-paid and most discriminated workers
- creating equal opportunities for men and women through access to training opportunities and other support
- reaching out to new markets and investing in technological innovation
- acting as catalysts for spreading awareness and stimulating engagement in the value chain
- scaling up impact by integrating (more) women entrepreneurs in their value chain.

Key success factors of multi-stakeholder initiatives

A successful multi-stakeholder collaboration does not magically appear. But the success factors for multi-stakeholder collaboration, even in the context of the multi-faceted and “wicked” problems that are tackled through the SDGs in general and gender equality in particular, are well known and documented. Those initiatives that endure or reach a reasonable level of impact and achievement tend to be those that are underpinned by several shared principles:

- Equity — where everyone’s contribution is valued and respected, and where common goals and objectives, partnering principles, frameworks, tools, risk sharing, complementarity and influence are defined and agreed.
- Transparency — where partners deal with each other in an open and honest manner. This leads to trust building among partners from different backgrounds, languages, and organisational cultures.
- Mutual benefit — where it is legitimate for all partners to expect a ‘return’ for their own organisation from participating in the partnership.
- Commitment — where the whole organisation, and not just a few individuals, is committed and engaged to ensure benefits are achieved by all partners.
- Constant learning — where there is a learning culture in day-to-day operations and where lessons learnt are internalised and applied in a continuous cycle of improvements.

International Responsible Business Covenants

The Dutch IRBC agreements have already been mentioned in this report as a way to give businesses the opportunity to increase their leverage by joining forces with others in their sector and with government and other parties. By working together, companies can increase their leverage by taking a structured, problem-solving approach to complex problems that individual businesses cannot solve on their own. The agreements on garment and textiles, banking, vegetable protein, gold and sustainable forestry, involve multiple parties that commit to achieving tangible results based on the international guidelines and principles. So how can business tackle observed gender-related risks in global supply chains?

First of all by conducting due diligence, as was described in chapter 3. Secondly, by means of the IRBC agreements and in cooperation with unions and NGOs, a structural change is promoted, namely “making it possible to move from ‘naming and shaming’ to ‘knowing and showing’.” A third approach is to carry out projects “on the ground” that give practical meaning to the agreements at the lowest possible level.

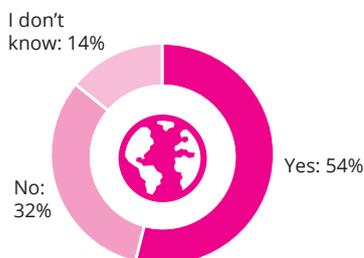
The covenant offers a platform for collaboration. Signatories are companies and CSOs such as, for example, FNV-CNV, LIW (in Dutch, the Landelijke India Werkgroep), Solidaridad and UNICEF, all with their own international partners and local networks. The covenant also has a circle of supporters, of which Plan Nederland is one. These supporters can contribute to joint projects and provide knowledge and tools, for example on the locally existing social norms. They also contribute to the SER working groups (such as the one on gender and discrimination, as mentioned in chapter 4.1.).

To support the associated companies, the SER facilitates the partners of the covenant in various ways. The SER assesses and discusses the action plans with all the companies. Furthermore, it develops and plans a number of trainings to address and highlight specific issues. Think of an introductory training or masterclass on due diligence or workshops on freedom of association and the right to collective bargaining (co-organised with representatives of local unions). Together with BSCI, the SER analyses how companies that are BSCI members can more effectively respond to the issues that emerge from their audit reports. The SER also aims to stimulate the supporters to contribute with step-by-step solutions and link them and their local networks to the companies.

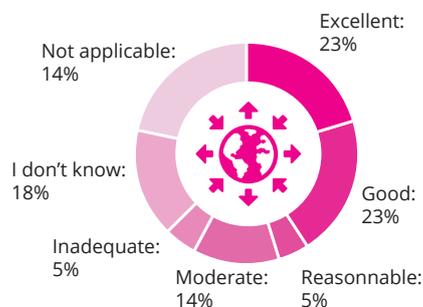


Multi-stakeholder collaboration and partnerships: in their own words

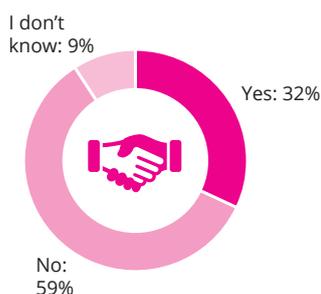
Is your company involved in a partnership with a NGO?



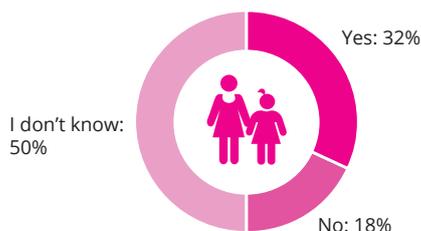
How does your company rate the added value of partnerships with NGO?



Is your company involved in any kind of national, global or local partnerships with a NGO?



Is your company involved in any kind of national, global or local partnerships for girls/women?



The Plan-Accenture survey also included a number of questions about working together with other stakeholders, in particular in relation to company - NGO collaboration. 54% of respondent companies indicated that they are involved in a partnership with a NGO. The added value of these partnerships was positively valued by 46% of respondents (as excellent or good). 24% considered the added value to reasonable, moderate, or even inadequate. With regard to partnerships across the broader value chain, 32% of respondents said their suppliers are involved in a partnership for girls and women, while 50% didn't know.

"THE COVENANT OF SUSTAINABLE CLOTHING AND TEXTILE CAME IN AT THE RIGHT MOMENT. IT IS TIME TO WORK WITH THE ENTIRE DUTCH CLOTHING INDUSTRY. IT'S TIME WE SIT DOWN AND LEARN FROM EACH OTHER. A JOINT APPROACH IS NEEDED TO ADVANCE THE ENTIRE CLOTHING AND TEXTILE SECTOR AND TO WORK WITH THE OTHER PARTICIPANTS FOR SUSTAINABILITY GOALS THAT ARE NOT INDIVIDUAL OR DIFFICULT TO REALIZE. I THINK THE IRBC-COVENANT CAN MEAN A LOT TO GIRLS AND YOUNG WOMEN WORLDWIDE. BECAUSE MOST WORKERS IN GARMENT FACTORIES ARE WOMEN, THESE AGREEMENTS DIRECTLY AFFECT WOMEN'S WORKING CONDITIONS IN THE CLOTHING INDUSTRY, AND INDIRECTLY THEIR DAUGHTERS AND OTHER FAMILY MEMBERS OF THESE WOMEN."

FROUKE BRUINŠMA - DIRECTOR CORPORATE RESPONSIBILITY AT G-STAR, ON OCTOBER 11, 2016, WORLD GIRLS DAY

Respondents who gave a low mark to existing partnerships did not explain why, except for one interviewee shedding some more light on this issue (see the following box). This comment shows that differences in culture and working practices between NGOs and companies may hamper effective multi-stakeholder collaboration.

Sally Hamers - JJH Textiles: Experiences with social dialogue and collaboration with NGO

“When I was trying to set up a day-care centre at my factory I first tried to start a social dialogue with the help of European NGOs. The approach of these NGO’s was talking and negotiating. They approached the case from a Western perspective and not from a Bengal point of view. I was looking for results that would benefit the company and the female employees. I believe it is important to understand the local culture. In the end, it cost me too much time and money without any clear results, so I stopped this cooperation. It became clear that within our company, with our own think tank, it worked easier, more pragmatic, with a better input.”

6.2. THE GIRLS ADVOCACY ALLIANCE: AN INVITATION FOR COOPERATION

During the Accenture Innovation Award event on October 27, 2017, Plan will share knowledge and best practices on gender equality in global supply chains, and create awareness about the economic disadvantages faced by women in developing countries and the possibilities for improving their position and local economies. The on-the-ground experience and knowledge gained by Plan Nederland and its GAA partners, and their contextual knowledge of the position of girls and young women in a variety of countries is an added value for companies investing abroad.

In an interview with Plan Ethiopia, Kenate Akuma, senior expert at the Adama City Labour and Social Affairs Office in Ethiopia, welcomed the GAA event. “The first thing I hope directors of companies will do when they get back to office after the event is write on a piece of paper: ‘From now on, I will everyday fight any sort of abuse against women and girls, be it gender abuse, human rights violations, intimidations and beatings, psychological abuses, and so on. I will also make sure management under my supervision acts accordingly’. After that, whenever they get to office and head to their seat, this piece of paper reminds them what to do.”

Building on this event, Plan and its partners in the Girls Advocacy Alliance invite companies and other stakeholders to join in the following three initiatives:

1. Establishing and/ or strengthening multi-stakeholder platforms

The GAA aims to strengthen or, if needed, create local multi-stakeholder platforms in the GAA countries for and with the private sector, with support from the Dutch Ministry of Foreign Affairs, our country offices, and global and local partners. The platforms will need to be set up in such a way that they can sustain themselves in the future.

The overall goal of the local multi stakeholder platforms is to gather different stakeholders in the supply chain to create better and safer working conditions and opportunities for girls and young women and improve their economic position. More specifically, the idea is that in each of the 10 GAA countries, a multi-stakeholder platform could support the development of a ‘clean’ supply chain which will help eliminate GBV and accelerate economic inclusion for women and girls. The proposed platform will be a coalition of companies, local governments, NGOs, trade unions, representatives of factories, Embassies of the Kingdom of the Netherlands in GAA countries, and other stakeholders who are committed to achieving progress for girls and women, including employee representatives. These platforms can help create more awareness about GBV and women’s economic empowerment and get these themes on the agenda of the local members of the network. A platform can more strongly advocate for better gender policies and practices and contribute to gender transformative supply chains.

An employee of a Kenyan textile company, interviewed by Plan Kenya: “There are no regular stakeholders meetings in Kisumu. If such a forum took place, I would like them to bring different people, not only the company owners, not only the big hotel owners, but also the workers themselves, so that they can share their challenges and difficulties can be resolved jointly”.

2. Supply chain journeys

Plan will also initiate “supply chain journeys” for and with companies to meet up with the partners in the GAA countries. A pilot will start in March 2018. Each group will consist of about 8-10 Dutch/international companies, specifically CSR and supply chain managers in the garment industry or other sectors. In order to understand the supply chain better, activities such as mutual acquaintance, discussion on issues in the supply chain, visits to factories and communities, interviews with employees (trade unions) and factory owners, local governments, embassies, etc, will be part of the journey.

The idea is that these journeys will support the development of the local multi-stakeholder platforms by connecting different stakeholders with each other, making participants aware of gender issues in the value chain, learning from each other, and exchanging tools and best practices with regard to social issues and cultural values. The joint visits will also seek to contribute to the creation of a level playing field for the different competitors involved in the sector.

3. Partnering for future perspectives for girls and young women

Through making community investments, your company can enable women to build their human capital, economic assets and leaderships capacity. The GAA members are well equipped and experienced in building public-private partnerships and co-implementing multi-stakeholder and multi-sectoral programmes with private sector partners (see the examples mentioned in chapter 4.8 on Plan’s partnerships with Accenture and the GSRD Foundation).

The evidence is clear. Supporting women’s economic empowerment is one of the best investments you can make. It is also quite challenging, especially against the backdrop of today’s dazzling array of global supply chains. However, it is certainly not impossible. It is our hope that the insights provided in this report will spur more companies to consider better integration of both men and women into their core business and across their supply chains. Engage women more strategically in your core business. Advocate for women’s rights and opportunities. Use your leverage. Malala Yousafzai gave us a good example: “I raise up my voice – not so that I can shout, but so that those without a voice can be heard...We cannot succeed when half of us are held back.”

We are optimistic about the way forward and the increasing awareness and involvement of companies. The statement of one of the companies shows that others too share this optimism: “We are definitely willing to work towards a collaborative approach for more knowledge about gender and for better circumstances for women in the supply chain. The importance is evident!”

LIST OF ABBREVIATIONS

2030 Agenda	2030 Agenda for Sustainable Development
BSCI	Business Social Compliance Initiative
BSR	Business for Social Responsibility
CNV	National Federation of Christian Trade Unions
CoLP	Code of Labour Practices
CSO	Civil Society Organisation
EHPEA	Ethiopian Horticulture Producer Exporters Association
FAO	Food and Agriculture Organisation
FTA	Foreign Trade Association
GAA	Girls Advocacy Alliance
IDH	The Sustainable Trade Initiative
IFC	International Finance Corporation
ILC	International Labour Conference
ILO	International Labour Organization
IMF	International Monetary Fund
IRBC	International Responsible Business Conduct
ITC	International Trade Centre
ITUC	International Trade Union Confederation
NGO	Non-Governmental Organisation
OECD	Organization for Economic Co-operation and Development
RMG	Ready-Made Garment (industry)
SAI	Social Accountability International
SDGs	Sustainable Development Goals
SER	Social and Economic Council
SMEs	Small- and Medium-sized Enterprises
UN	United Nations
UNGC	United Nations Global Compact
UNHLP	United Nations Secretary-General's High-Level Panel (on Women's Economic Empowerment)
YEE	Youth Economic Empowerment
WEP	Women Empowerment Principles



Girls first

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Development Cooperation
Ministry of Foreign Affairs of the Netherlands

The Girls Advocacy Alliance is one of the strategic partners of the Dutch Ministry of Foreign Affairs in the Dialogue and Dissent framework.