# REMEDIES **TOWARDS** *A Better Workplace*

GRIEVANCE REDRESSAL MECHANISM IN SOUTH-INDIA GARMENT AND SPINNING MILLS AND COLLABORATIVE SUPPLY CHAIN MAPPING



### THE PROJECT IS AN EFFORT TO BRING

TOGETHER A GROUP OF *Forward Looking Companies* 

# Introduction

The project is an effort to bring together a group of forward looking companies based in the Netherlands, and their supply chainpartners (agents, garment manufacturers, textile and pinning mills) in India to:

Strengthen policies and practices of suppliers in Tamil Nadu for them to become front runners in embedding social standards including on Child and Forced Labour, Sexual Harassment prevention at Workplace Act and the Industrial Disputes Act in their day to day functioning

2 Collaboratively map the upstream garments and textiles supply chain

# **Project Objectives**

- Strengthen Worker Committees in 20 garment factories and spinning mills in Tamil Nadu (or set up and train if none are in place)
- Pelp establish concrete policies and procedures in participating suppliers and spinning mills so that they are able to identify and remediate labour issues in a timely manner, including those at their (sub) suppliers
- 3 Map the upstream supply chain of participating companies and suppliers including subcontractors and (material) suppliers



### **STRENGTHEN WORKER COMMITTEES IN GARMENT** FACTORIES AND SPINNING MILLS *in Tamil Nadu*

### BOX 1 SHIFTING NORMS, EMERGING REGULATIONS AND GREATER INTEREST FROM CIVIL SOCIETY

Greater public disclosure of the human rights conditions embedded in global supply chains is rapidly becoming the norm for multinational companies and export oriented manufacturers managing complex sourcing relationships around the world.

While for some companies, increased supply chain transparency may be the logical result of a maturing social responsibility program, external pressures from civil society and governments, including emerging regulations that carry significant legal and financial risks, are also clearly driving this shift in industry norms – for everybody.

More and more countries around the world, including the Netherlands, UK, France, Germany, and the US, are enacting legislative and regulatory frameworks requiring multinational companies to trace their supply chains and be transparent about the effect of their business practices on human rights.

In particular the Dutch Agreement on Sustainable Textile and Garments (AGT) is requiring Netherland based companies to map their upstream supply chains that include Cut, Make, Trim (CMT) factories, textile mills, spinning mills all the way back to the raw materials.

# Why this project in Tamil Nadu?

For the Dutch brands Tamil Nadu is an important region being one of the most important garment and textile manufacturing hubs. The brands want to learn how they can best support and collaborate with their suppliers and relevant stakeholders for meeting social standards and for achieving greater traceability and transparency (see box 1). Based onwhat is already achieved and on having the collaboration of good partners in the area, Tamil Nadu was chosen as the focus area for this multi-stakeholder project.

# How will it help?

### THE COLLABORATIVE ACTIVITIES UNDERTAKEN IN THE PROJECT WILL ASSIST BRANDS AND BUYING COMPANIES:

- To understand how supply chains function and ensure that they are sourcing ethically produced garments
- To support supplying business partners and their suppliers to enhance the application of the local legislations and social standards

### THE COLLABORATIVE ACTIVITIES UNDERTAKEN IN THE PROJECT WILL ASSIST BUSINESS PARTNERS AND MANUFACTURERS:

- To gain insights in supply chain performance and strengthen general awareness on labour standards among management and workers
- To build internal capacity through tailored training sessions and share best practices with industry peers
- Increase job satisfaction of workers, retention and quality of production
- Strengthen factory reputation amongst workers and attract more business partners

### **UNDERSTAND SUPPLY CHAINS,** GAIN INSIGHTS AND STRENGHTEN *Factory Reputation*

# Implementation Strategy

### ELEMENT 1: WORKING WITH THE FACTORIES AND MILLS

SAVE will engage with the management of factories and mills, seeking cooperation to achieve adherence to Indian and Tamil Nadu laws, regulations and social standards, and setting up structures as required by these laws and regulations. In every spinning mill and factory involved in the project, the aim is to achieve: 1. Independently functioning

- Workers Internal Compliance Committees (WICC), as per the Sexual Harassment at the Workplace Act
- 2. Workers Grievance Redressal Committees (WGRC), as per the Industrial Disputes Act
- 3. Functional and transparent policies and procedures to prevent and address child labour and forced labour risks

#### ELEMENT 2: SUPPLY CHAIN MAPPING WITH BRANDS AND BUSINESS PARTNERS

The Dutch brands will collaborate with their suppliers to start a supply chain mapping exercise in Tamil Nadu. The Fair Labor Association (FLA) will support the supply chain mapping activities starting from the headquarters of the companies based in the Netherlands. Tools and advisory services will be provided to conduct supply chain mapping of sub-suppliers. New facilities identified will be invited to join the project to implement Element 1 of the project.

### WORKERS INTERNAL COMPLIANCE Committees

WORKERS GRIEVANCE REDRESSAL *Committees* 

### 5 TOPICS FOR WGRC AND WICC TRAININGS

- WICC members must possess the knowledge to effectively carry out their role. That includes a sound grasp of the Act, Vishaka Guidelines, applicable Service Rules, relevant laws, policies and an understanding of workplace sexual harassment and related issues.
- Complaints Committee members' skills must include an ability to synthesis information i.e. relevant documents, the law and interviews.
- Complaints Committee members should be able to communicate effectively, write clearly, listen actively and conduct interviews.
- Complaints Committee members should be competent at showing empathy, being impartial and being thorough.
- 5 Complaints Committee members should be able to identify sexual harassment, child and forced labour risks and its impact.

# How to get involved?

- $\rightarrow$  Participation is free
- $\rightarrow$  Communicate your interest to your business partner involved in this project
- $\rightarrow\;$  Introduce the project to your suppliers, especially spinning mills
- → Collaborate with your business partner to start filling the supply chain mapping tool that you will receive
- → Engage in continuous dialogue with your suppliers to build trust and implementation of the project
- → Facilitate access to workers and information for SAVE (project element 1) and the FLA team (project element 2)
- → Embed the learnings of the project in the way you do business

# **Frequently asked** questions

#### AS A MANUFACTURER, WHAT ARE THE **BENEFITS OF JOINING THE PROJECT?**

Participating in this project will help to meet the legal requirements and social requirements of your buyers. The expected results of Element 1 of the project are that effective communication  $\rightarrow$  Share information on your supply and dialogue structures in the factory will improve worker satisfaction, motivation and productivity, leading to low worker turnover, improved quality and enhanced reputation.

Element 2 of the project – supply chain mapping - will provide you with better insights in your supply chain and own supply chain management practices. This is becoming the norm and the project will provide you with tools and advisory services on how to achieve it.

#### AS A MANUFACTURER, HOW ARE YOU EXPECTED TO SUPPORT THE **PROJECT?**

To be able to achieve the desired results, it is key to work closely with the project partners. Pro-active cooperation, openness, transparency and trust are important, for which your time and active involvement is needed. In practice this means that

You will invest time and human capacity in the project.

- $\rightarrow$  Share information on your policies and procedures to meet the social requirements and national laws.
- $\rightarrow$  Facilitate access to your premises and provide opportunities for SAVE and the FLA to meet and interact with your management and workers.
- chain and to help establish contact with your material suppliers and subcontractors.

### ARE THERE ANY COSTS OF JOINING THE PROJECT?

No monetory contribution is expected from the suppliers.

### HOW MANY OTHER FACTORIES WILL PARTICIPATE IN THE PROJECT AND WILL THE INFORMATION BE SHARED **BETWEEN THE FACTORIES?**

A total of about 20 factories and spinning mills will participate in part 1 of the project, that are all based in South India. For part 2 regarding the mapping exercise data of all suppliers and subsuppliers of the four Dutch companies sourcing from Tamil Nadu will be collected. Information of respective facilities will be kept confidential.

### WILL JOINING THE PROJECT AFFECT **FUTURE BUSINESS?**

The project is expected to have a positive impact on future business. Given that vou will be able to demonstrate and communicate about your efforts on supply chain mapping and meeting the legal and social requirements you become an attractive supplier to existing and potential buyers.

### HOW WILL JOINING THE PROJECT AFFECT MY BUSINESS PARTNERS IN THE UPSTREAM TIERS FOR **EXAMPLE MATERIAL PROVIDERS?**

Your business partners, including subcontractors and spinning mills will be included in the mapping exercise and will be known to your buyers. Project activities expect to have a positive impact on them. In case of findings of social challenges or risks at the upstream level. these will be identified and remediated as part of the project activities.

These findings will not be used to have any punitive actions. The project will provide sub-suppliers with opportunities to improve their practices. They will be able to gain from the training and other support that will be provided during the project.

#### WHEN WILL THE MAPPING TAKE PLACE IN MY FACTORY OR AT **MY SUPPLIERS?**

The mapping is likely to take place in both your and your suppliers' facilities in the last guarter of 2018.

#### **OUR BUSINESS PARTNERS CHANGE ON A REGULAR BASIS, HOW WILL** THIS PROJECT BE BENEFICIAL FOR US?

The project will help you build supply chain management systems and will provide you insights into how you can work with your suppliers and subcontractors. With that enhanced internal capacity, you can work with any old and new suppliers.

#### WHAT INFORMATION AND RESULTS WILL BE SHARED AFTER THE PROJECT AND HOW?

Based on the project and learnings, the FLA will develop a guidance document with concrete information, recommendations and tools that will be shared with the brands, involved suppliers and other AGT member companies for future use. Additionally there will be an end-report of the overall project with information and lessons learned at an aggregated level (no linkage to suppliers or factories). Suppliers will be provided the opportunity to review the final draft report for them to decide if they want their name to be included as a project partner or not.

The Dutch brands will collaborate with their suppliers to start a supply chain mapping exercise in Tamil Nadu. The Fair Labor Association (FLA) will support the supply chain mapping activities starting from the headquarters of the companies based in the Netherlands. Tools and advisory services will be provided to conduct supply chain mapping of subsuppliers. New facilities identified will be invited to join the project to implement Element 1 of the project.

### **Project Partners**

#### PROJECT PARTNERS Dutch brands:

With support from: Hivos

Netherlands Enterprise

PROJECT PERIOD

October 2017 - October

Funded by:

Agency

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WE Fashion, O'Neill Europe, Claudia Sträter, Expresso Fashion, Miss Etam, Steps and Prénatal

### Implementing partners:

SAVE (Social Awareness and Voluntarily Education) and READ (Rights Education and Development)

Expert Organization:

Fair Labor Association (FLA)

### As part of:

The Dutch Agreement on Sustainable Garment & Textile (AGT)



