

RECOMMENDATIONS FOR STAKEHOLDER AND CIVIL SOCIETY ORGANISATION ENGAGEMENT

Content developed by the Fair Labor Association (FLA) as part of the project “Remedies Towards a Better Workplace” with input from project partners: Hivos, Arisa, Unicef, AGT/SER, SAVE, READ, CCR CSR, WE Fashion, O’Neill, Prénatal, Hunkemöller, FNG, Cool Investments.

For whom: for AGT signatories, FLA affiliates, brands and companies as well as production units.

Objective: This document provides insight and information about strategies and steps for engaging with stakeholders and civil society organisations.

Background: The businesses and organisations that signed the Dutch Agreement on Sustainable Garments and Textiles committed themselves to undertaking due diligence and taking progressive steps in supply chain mapping. As part of the project “*Combatting Child Labour in the Garment Supply Chains*”, project partners have been engaging with local partners and stakeholders.

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Definitions of stakeholders and Civil Society Organisations (CSOs)

- **Stakeholders** are individuals or groups that have an interest in an organisation (or business) and are affected by its actions. Stakeholders are customers, employees, suppliers, boards of directors, trade associations, shareholders, investors, government agencies, labour unions, civil society organisations, political groups and others.
- **Civil society organisations** are non-state, not-for-profit, voluntary entities formed by people in the social sphere. They are separate from the state and the market. In the context of the corporate social responsibility, CSOs do not include business or for-profit associations.

CSOs represent a wide range of interests. It is important to engage with CSOs that have relevant knowledge and skills and a track record on labour and human rights or environmental and animal protection. Examples of Relevant civil society organisations include: labour unions, labour and human rights focused non-profit organisations (NGOs), labour-focused community-based organisations, women’s groups, labour-focused academics/universities, faith-based organisations with a worker or labour focus, consumer organisations and civic groups.

Engagement with stakeholders, including local organisations is fundamental

- Consultation with civil society organisations (CSOs) is a fundamental aspect of corporate social responsibility. A good relationship with local civil society stakeholders is a prerequisite for good risk management and allows for sustainable joint preventative and remediation solutions.
- It is important to note that CSO engagement should not be seen as a one-time event but a relationship-building process. It takes time for trust, mutual respect, and understanding to be developed and maintained.
- An in-depth stakeholder/CSO engagement process can lead to learning and innovation. Effective, meaningful CSO engagement will contribute to progressive and sustained improvements in employment practices, recruitment of workers, purchasing practices, organisational flexibility, identification of new opportunities and improvement of sustainable performance. CSO engagement may also lead to or help with advocacy initiatives related to labour rights.

Different roles for stakeholders

- The aim of CSO engagement is to bring together the diverse views of civil society organisations, government, experts and researchers, and to exchange knowledge and experience. External stakeholders can play crucial roles when it comes to working towards more responsible business conduct throughout the supply chain. They can:
 - 1) Provide insight and better understanding of challenges and environmental, labour and human rights risks, impacts and its underlying causes, which will help create a more holistic view of the sourcing environment.
 - 2) Provide inputs and constructive feedback on how interventions can be strengthened and monitored.
 - 3) Provide insights on possible solutions (prevention and/or remediation) based on experience and understanding of the local context.
 - 4) Create awareness about the issues around child labour, forced labour, health and safety, etc.
 - 5) Provide early warning or file complaints in cases of human rights or labour rights violations in specific supply chains.
 - 6) Provide support in establishing and facilitating (third party) grievance mechanisms whereby workers and stakeholders can raise complaints and seek remediation.

Strategies and steps for CSO engagement

Companies should develop strategic objectives for CSO engagement before undertaking a consultative process. There are several steps to take to prepare for meaningful stakeholder engagement:

1. Develop a CSO engagement plan with concrete activities and timeline

- Decide which country/region to focus on based on priorities of risk and of need for increased understanding of the context and stakeholders' perspectives.
- Include ambitions, objectives and strategies in the CSO engagement plan.
- Identify people within the company to take the lead. Involve people from several departments/roles like CSR staff, buyers and senior managers. If needed, identify external consultants or expert organisations who can support or facilitate the process.
- Look at stakeholder engagement as an ongoing and sustainable approach and not as a one-time project.

2. Collect info about stakeholders

- Before you begin the strategic planning process, identify the different stakeholder groups. Identify civil society organisations as well as government bodies active in the area. Make use of existing contacts, internet, local news articles, consulting suppliers and companies sourcing from the same region.
- Make an overview of the stakeholders and try to include information about contact persons, description of activities, location and contact details.

3. Establish contact

- Implement the steps and outreach as part of your CSO engagement plan. There are several possible modes for starting engagement, including email, phone calls, visits, conferences, roundtables, training sessions, etc.
- Start engagement and involvement with local self-governing bodies, government departments, policy and decision-makers at various levels.
- Involving local staff or consultants will be helpful for creating trust and better understanding of culture and language.
- Be well prepared for the meetings, take time to get to know more about the organisations, listen well and explain about your company and the reason for initiating contact. It will take time to build trust and good relationships. To that end, face-to-face meetings are essential.

4. Invest in a long-term relationship

- Establish a strategic and long-term relationship with the stakeholders through visits, dialogue and discussions. Regular updates, frequent discussions, presentations at various meetings, small group meetings, sharing about the need for engagement with diverse CSOs, and participating in National Dialogues and panels can help.
- Stakeholders are often outside observers and may have a lot to share. Based on their input, feedback and early warning on specific risks, you can make a better evaluation of risks, current approaches and needs for improvement.
- Taking CSOs' concerns and interests into account can improve business relationships, which may make it easier for a company to operate. It may lead to ideas for products or services that will address stakeholder needs and allow the company to reduce costs and maximize value.
- You may want to consider organising a CSO roundtable with key stakeholders to discuss a certain topic like child labour or children's rights. For such a meeting, collaboration with a local NGO and invitations to other CSOs, child rights organisations, unions, government bodies and researchers is recommended.
- CSOs might reach out to you to share specific information about a topic, issue or case/complaints. It is important to take this information seriously, collect additional information for a proper assessment, take steps when needed, and maintain regular communication with the CSO about the process and measures to be taken.

5. Document the engagement well

- Make sure to maintain detailed documentation of the visits, interactions and discussions with the various CSOs, including the names of those involved in the engagement.
- Make sure to update this information regularly and be available for others within the company.

'CSO engagement—and cooperation—is as important as other tangible assets and market conditions in terms of a company's success'.