

### Mondiaal FNV

# **AMPLIFY:** promoting freedom

of association and social dialogue in the garment sector

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### Introduction

In collaboration with 19 Dutch garment brands, trade union organisations CNV Internationaal and Mondiaal FNV implemented the AMPLIFY project from September 2020 to December 2021. The aim of AMPLIFY was to promote freedom of association and social dialogue among suppliers of Dutch garment brands. The participating brands received guidance from CNV Internationaal and Mondiaal FNV to strengthen internal policy and focus on freedom of association at garment production facilities. The project was part of the Dutch Agreement on Sustainable Garments and Textile (AGT), which sought to improve working conditions, prevent pollution, and promote animal welfare in production countries<sup>1</sup>.

 Imvoconvenanten.nl. (2021). Dutch Agreement on Sustainable Garments and Textile. [online] Available at: https://www.imvoconvenanten.nl/en/garments-textile [Accessed 7 Feb. 2022].



# Approach

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According to the Royal Tropical Institute (KIT), studies have shown the inefficiency of auditing process-oriented components of working conditions and labour rights at suppliers in production countries, such as freedom of association and the right to collective bargaining. As verification of process issues is



complex, brands tend to rely mostly on social audits to identify issues pertaining to freedom of association. Even if an auditor manages to identify the right issues, they often fail to provide feasible solutions to address them. Finding different ways to strengthen worker voices in production countries, beyond writing and addressing nonconformities in audit reports, is therefore essential<sup>2</sup>. This is what the AMPLIFY project set out to do.

In collaboration with companies that had signed the AGT, CNV Internationaal and Mondiaal FNV had a close look at the OECD's human rights due diligence guidance and designed five alternative and complementary **action routes for garment brands**<sup>3</sup>:

A. Be informed and assess your suppliers. Participants in the project shared their knowledge about freedom of association in general and in specific countries. Receiving advice tailored specifically to their situation helped companies assess freedom of association in their supply chains.

### B. Improve internal human rights due diligence processes.

Companies reviewed their policies, procurement practices and auditing systems, focusing on freedom of association.

C. Engage with suppliers.

Companies made formal or informal changes to their orders. A formal change would be to upgrade a contract, and an informal change would be to organize events promoting freedom of association or hold roundtable discussions with suppliers.

D. Offer trade union and social dialogue training.

Companies were able to contact local experts who trained employers and employees in the rights and roles of trade unions and the process of social dialogue.

E. Set up a collective bargaining process. In cases where there was a union that did not engage in collective bargaining, companies were able to analyse the pros and cons of setting up a bargaining process. Expert facilitators could help initiate a collective bargaining process.

2 KIT (2021). Final evaluation of the Dutch Agreement on Sustainable Garments and Textile. [online] Available at: https://www.imvoconvenanten.nl/-/media/imvo/files/kleding/kit-evaluation-agt.pdf?la=nl&hash=D934D9E 758D954008EAD36E3558CDDCD [Accessed 8 Feb. 2022].

<sup>3</sup> Invoconvenanten.nl. (2020). AMPLIFY. [online] Available at: https://www.invoconvenanten.nl/en/garments-textile/agreement/projects/amplify#:~:text=In%20the%20AMPLIFY%20project%2C%20Dutch,and%20workers%20at%20 production%20sites. [Accessed 3 Feb. 2022].



Based on the above action routes, companies were asked to discuss internally what action route(s) they would like to follow and what outcomes they would aim for. Activities planned for the action routes were combined with peer learning sessions, country-specific expert meetings and tailored advice to the brands.

One of the inputs used at the start of the project was an extensive study on freedom of association and collective bargaining in ten production countries: Cambodia, Myanmar, Indonesia, Vietnam, Bangladesh, India, Bulgaria, Ethiopia, Mexico, and Honduras. The study was conducted as part of the New Conversations Project, headed by the Cornell University School of Industrial and Labour Relations. By the end of 2020, all brand participants had developed a plan with activities for the next twelve months. They set up separate groups for various countries (Turkey, India and China) and regions. The groups were facilitated by CNV Internationaal and Mondiaal FNV. In each group, several brands participated. Peer group discussions were an important feature of the project because they enabled brands to listen and learn from each other.

CNV Internationaal and Mondiaal FNV helped brands connect with local experts, trade unions and resource persons. Two specific knowledge sessions on Turkey and China were organised to discuss the situation regarding freedom of association and to advise brands on how to support worker engagement in these two countries. The project also developed firsthand guidance for brands to promote freedom of association in their supply chains. CNV Internationaal and Mondiaal FNV helped analyse audit reports and made recommendations for follow-up based on their analysis. Both union organisations gave input on a buyers' manual and helped develop brand questionnaires for suppliers.

At the end of the project, many participating brands were able to achieve the action route goals that they had set for themselves. Some brands even achieved more than they expected at the start. It became clear, however, that it remained complex for brands to tackle issues related to freedom of association and social dialogue in their supply chains, and to link them to their purchasing practices and human rights' due diligence. For suppliers, freedom of association was often a sensitive issue. They often felt uncomfortable having a conversation about it with buyers and workers.

Brands and other partners in the project have expressed the desire to continue strengthening their commitment to freedom of association, and to improve the action routes and interventions.

### Table 1: project timeline





#### 3.1. Lessons learned

#### Limited usefulness of audits

Many of the brands in the project work with social audits and assessments to check compliance in their supply chains. Most audits methods are not designed to identify issues around freedom of association and social dialogue. There are several issues: a one or two-day audit does not allow enough time to do thorough research, auditors are not required to investigate the issue and have little contact with workers and workers' representatives, auditors have little knowledge of international standards and national legislation on freedom of association etc. Instead, brands and suppliers can obtain a wealth of information through interviews with workers and workers' representatives. Local unions can facilitate these interviews. In factories without unions, brands can organise the interviews themselves. One of the brands in the AMPLIFY project interviewed workers' representatives in collaboration with an interpreter who had a deep understanding of the subject matter. In addition, several brands developed workers' questionnaires to obtain information from

their own staff (CSR managers, agents, and incountry staff) and from their suppliers.

### The business case of complying with labour standards

Research presented at AMPLIFY's kick-off meeting found that suppliers with unions and/ or collective bargaining agreements tend to show higher levels of compliance with the right to freedom of association than factories without these. There is also a strong and positive link between freedom of association and all other labour standards<sup>4</sup>. Higher levels of compliance are good for business: there is a clear business case for freedom of association and social dialogue. In their interactions with suppliers, brands should highlight this business case. At companies that respect freedom of association, absenteeism tends to be lower. There is also a correlation between freedom of association and increased productivity.

Brands should make sure freedom of association and social dialogue is firmly embedded in their supplier codes of conduct. This provides them with a solid basis for dialogue with suppliers on the topic. Brands and supplier can develop a two-way code of conduct, so that they have a mutual understanding of how freedom of association should be implemented.

#### Conversations between buyers and suppliers

The brands that participated in AMPLIFY reported that a focus on conversations between buyers and suppliers is key. Buyers are not used to addressing the topic of freedom of association, and suppliers are uncomfortable discussing these matters with buyers. Several brands have asked for practical support on how to talk about freedom of association with suppliers and on how to engage workers' representatives. To that end, CNV Internationaal and Mondiaal FNV, in cooperation with two brands, organised two training sessions in December 2021.

Another key activity consisted of role plays with the participating brands. The role plays simulated conversations between buyers, managers at suppliers, and workers' representatives. Two key lessons learned from the role plays were that (1) the buyer should align with the brand's CSR manager/ department before they engage with the supplier and (2) the brand's management should endorse the right to freedom of association and offer full support to the buyer.

Participating brands also found that there is often a need for translation and interpretation services because brands, management, workers, and union representatives seldom speak the same language fluently. Language barriers are often an issue. Sometimes union representatives can help brands to ask the right questions in the local language. This is a key reason for involving unions in talks with suppliers about freedom of association.

In many production countries, freedom of association can be a sensitive topic. When a brand starts a dialogue with a supplier on freedom of association, the relationship should be one of mutual trust and respect. Brands should also take into account cultural aspects and different rules and regulations per country. For this, brands and supply chain partners can make use of country-specific information (from the ILO and ITUC, for instance) and contact local trade unions and/



or labour rights organisations to get a better understanding of the local context, legislation, and cultural aspects.

To achieve the best results, freedom of association, social dialogue and grievance

mechanisms should always be on the agenda when meeting with suppliers. By talking about the topic regularly, there is a higher chance that suppliers will understand how unions and workers' representation can bring value to their businesses.

### Table 2: Overview of actions and results for the action routes

Action route	Action	Result
A: Be informed and assess suppliers.	<ul> <li>Analyse audit reports of suppliers to check which suppliers have unions, workers committees or are subject to collective bargaining agreements.</li> </ul>	• List of all suppliers/producers with and without a union or worker committee.
	<ul> <li>Organize multiple calls with supplier's CSR manager, CEO, account managers and worker committee members.</li> <li>Review relevant social audit reports and discuss unconformities.</li> </ul>	<ul> <li>Increased understanding of social dialogue at supplier.</li> <li>Unconformities addressed through corrective action plan and confirmed at follow-up audit.</li> </ul>
	<ul> <li>Collect context relevant information on freedom of association in production country through desk study and organise webinar with unions and other experts (i.e. ITUC, ILO, local labour rights organisations and local unions).</li> <li>Collect information on specific situation regarding freedom of association at a supplier through interviews with supplier and worker representatives.</li> </ul>	<ul> <li>Better understanding of freedom of association in the production country.</li> <li>Complete supplier map with information on unions in factories and their representatives.</li> <li>Deep understanding of the situation around freedom of association at selected supplier.</li> </ul>
B: Improve internal human rights due diligence processes.	<ul> <li>Develop questionnaire for dialogue with suppliers on their freedom of association policy, in addition to tools provided by existing audit method.</li> </ul>	• Freedom of association included as a topic in audit system.

Action route	Action	Result
	• Write a buying manual and include freedom of association and social dialogue in it.	• Buyers are aware of the importance of the topic when negotiating with suppliers.
C: Engage with suppliers.	• Talk to suppliers during a company visit, after analysing audit results and formulating questions.	• Supplier aware of brand's concerns related to freedom of association.
	• Collaborate with key supplier and their worker representatives to evaluate the current situation and plan improvements.	• List of items for improvement or corrective action plan.
	• Contact suppliers to obtain information on their policies and practices regarding freedom of association, i.e. policy on reviewing data and sharing of meeting minutes.	<ul> <li>Profiles of suppliers' policies and practices on freedom of association.</li> </ul>
	• Engage with factory management and workers to find out whether the factory had implemented its grievance mechanism correctly.	<ul> <li>Grievance mechanism implemented successfully.</li> <li>Safe environment for workers to voice their needs.</li> </ul>
D: Offer trade union and social dialogue training.	• Organise a local supplier seminar with trade union organisation in Cambodia.	• Supplier aware of the importance of trade unions, workers' representation and social dialogue.
E: Set up a collective bargaining process.	• The brands did not develop specific actions for this action route.	



### Recommendations for next steps and future needs towards action

Several participating brands have indicated that training on freedom of association at factory level is needed, both for managers and workers' representatives. Brands that source from the same supplier could work together and share the costs of organising these training courses at suppliers. Prior to the training, they could also share information on the supplier's performance and position on freedom of association. This only works if brands are willing to share information regarding their supplier base with brands that may be their competitors. Local unions and other trade union organisations can provide expertise and tools for these training courses, as well as help facilitate them.

Buyers find it difficult to talk to suppliers about freedom of association and social dialogue. For them, a practical step-by-step approach to promote freedom of association and social dialogue should be developed. This could take the shape of a manual or hands-on tool for conversations between buyers, managers at suppliers, and workers' representatives. There are already lots of effective tools available, such as the questionnaire CNV and FNV published in 2016<sup>5</sup>.

The participating brands also see value in organising training sessions with buyers and CSR managers to help them navigate the interactions with suppliers on freedom of association and social dialogue.

During the project, the brands identified suppliers that could serve as an example to others. These garment producers maintain high standards: they respect the right to freedom of association and collective bargaining, have included it in their management system, standard operating practices and/or code of conduct, and have a solid in-house grievance mechanism. The practices of these best-inclass suppliers can be used in training and coaching to inspire their peers.

Few brands were able to initiate an actual social dialogue between suppliers and their workers. This would be a logical next step that can be facilitated by trade union confederations and employers' organisations. Where possible, brands can ask trade unions to review relevant sections of suppliers' audit reports and corrective action plans.

AMPLIFY has already resulted in highly relevant follow-up activities. CNV Internationaal and workwear companies ETP, Groenendijk Bedrijfskleding, HAVEP and Tricorp are supporting the development of a collective bargaining agreement with Vietnamese suppliers. This agreement will not only apply to the suppliers of these workwear companies, but also to other garment factories in Vietnam.

As a next step, seven brands have also started a factory support programme in India with Mondiaal FNV, Arisa and local civil society organisation SAVE, to contribute to improved social dialogue. Mondiaal FNV and SAVE are developing a manual for this programme.

In Bangladesh, Mondiaal FNV is organising a training on social dialogue for two brands at one common supplier. If successful, other trainings will follow.

<sup>5</sup> CNV and FNV (2016). Questions on freedom of association and social dialogue. [online] Available at: https://www.cnvinternationaal.nl/\_Resources/Persistent/a/4/6/9/a4690785be445c8d24089b4c95f2207f4d05d1e8/questionnaire-EN. pdf [Accessed 12 Feb. 2022].

# More information

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#### Useful tools, guidance and information

#### Questions on FoA and social dialogue, CNV Internationaal and FNV

https://www.cnvinternationaal.nl/\_Resources /Persistent/a/4/6/9a4690785be445c8d24089b4c9 5f2207f4d05d1e8/guestionnaire-EN.pdf

### Respecting Trade Union rights in Global value chains, Shift and Mondiaal FNV

https://shiftproject.org/realizing-trade-unionrights

#### Addressing social dialogue in 10 garment production countries, by Cornell University, CNV, FNV and FWF

https://www.fairwear.org/stories/new-reportssocial-dialogue-21st-century

#### Country information and practical advice on FoA and social dialogue, by CNV, FNV, EFT, FWF and ACV

Bangladesh: Country Information & Practical Advice on Freedom of Association & Collective Bargaining: BANGLADESH – SocialDialogue.org Vietnam: Country Information & Practical Advice on Freedom of Association & Collective Bargaining: VIETNAM – SocialDialogue.org General: The Importance of Freedom of Association (FoA) and Collective Bargaining (CB) for Brands – SocialDialogue.org

ETIs 5-step plan towards mature and effective support of independent worker representation and trade union relationships Implementing freedom of association - a five step plan.pdf (ethicaltrade.org)

#### ITUC annual global rights index

Home - ITUC GRI 2021 (globalrightsindex.org) ITUC Global Rights Index - ITUC Survey of violations of trade union rights (ituc-csi.org)

**The value of social dialogue** CNVI-0106 Themaboekje-sociale dialoog-EN-Low res clickable.pdf (cnvinternationaal.nl)

#### AGT Assessment Framework – Practical guide for companies on IRBC and OECD due diligence https://www.imvoconvenanten.nl/ en/garments-textile/agreement/-/ media/09E5B7F0A1E84A68A0BE1890859F9311. ashx#:~:text=The%20assessment%20 framework%20is%20based,context%20of%20 their%20due%20diligence



#### **Useful contacts**

**CNV Internationaal** CNV Internationaal

**Mondiaal FNV** English - FNV

IndustriALL (global trade union federation for the mining, energy and manufacturing sectors *Affiliates per country:* IndustriALL (industriallunion.org) *Regional offices:* Regional offices | IndustriALL

(industriall-union.org)

International Labour Organisation Country Offices (amongst others: Bangladesh, China, India, Pakistan, Turkey, Vietnam) Departments and offices (ilo.org)

**Myanmar FoA guideline, by ACT** https://actonlivingwages.com/where-we-work/ myanmar/myanmar-freedom-association-guide/

Self-assessment Method for Social Dialogue Institutions (SAM-SDI), by ILO

https://www.ilo.org/global/about-the-ilo/ how-the-ilo-works/departments-and-offices/ governance/dialogue/WCMS\_827066/lang--en/ index.htm

#### Strengthening the Social Dialogue, by Dutch Employment Cooperation Program (DECP)

https://www.decp.nl/publications/strengtheningthe-social-dialogue-customization-per-countryand-per-sector-43062

#### Fund against Child Labour – FBK

Do you represent an international company? The entire production chain is not always transparent. You may not be aware of child labour in your production chain. Entrepreneurs that actively want to end child labour in their chain, can get support from the Fund against Child Labour (FBK) programme.

#### For whom?

FBK helps Dutch entrepreneurs that want to:

- research the root causes of child labour in their production chains;
- take actions to prevent child labour at a local level;
- take measures to prevent child labour in their businesses.

We can support your project with a subsidy and a knowledge project.

Your partnership consists of at least:

- 1 Dutch company
- 1 NGO, and
- 1 local company.

#### Background

Worldwide, 160 million children between the ages of 5 and 17 work as child labourers, millions of them under dangerous conditions. We use the term child labour for children who are too young to work, do work that is too hard or dangerous for them and do work that keeps them from going to school. A lack of education can block the development of children and society as a whole. Child labour is not only a result of poverty but also an important cause.

#### 2 calls in 2022

The FBK subsidy program runs from 2018 to 2022. We have 2 calls in 2022. The first call: 1 February till 7 April 7, 15.00 Dutch time. The second call: 2 June 2 till 13 October 13, 15.00 Dutch time.

#### More information:

https://english.rvo.nl/subsidies-programmes/ fbk IATI Project Database



#### Fund for Responsible Business – (FVO) Pillar 1

Are you an entrepreneur? Do you operate internationally? Do you buy goods from abroad? It is important to have a clear insight into all aspects of your value chain relating to Responsible Business Conduct (RBC). Do you suspect there may be RBC risks or misconduct? If so, apply for a subsidy from the Fund for Responsible Business (FVO).

#### For whom?

FVO supports Dutch partnerships that wish to:

- conduct local or regional research into the underlying causes of RBC risks and misconduct in their value chains and implement measures to address them;
- implement RBC into their business processes in a more effective manner, including measures to end RBC risks and misconduct in their own company;
- set up a multi-stakeholder project that addresses RBC risks and misconduct, with a positive impact on manufacturing conditions in their producer countries.

#### Background

Around the world, numerous RBC risks and misconducts can be found in the value chains of Dutch companies. Such as harm to the natural environment through pollution or reduction of biodiversity, human rights violations during land acquisitions and poor working conditions in factories in producer countries.

Misconduct in international value chains cannot be tackled by individual companies or civil society organizations working alone. Collaboration is required to amplify the impact on and leverage in the value chains. Joint efforts facilitate better implementation of due diligence into the business processes of Dutch companies. This has a positive impact on local manufacturing conditions in producer countries.

#### Call 2022

#### More information:

https://english.rvo.nl/subsidies-programmes/ fvo-partnerships-pillar-1 IATI Project Database



#### Ministry of Foreign Affairs

The Fund against Child Labour and Fund for Responsible Business are executed by Netherlands Enterprise Agency (RVO).



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Colophon:

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> Utrecht, May 2022 Version 1