

Handout for Intensive Human Rights and Environmental Due Diligence Training for Trade Unions

CONTENT

INTRODUCTION	2
THE HREDD TRAINING	2
General Introduction.....	2
Due Diligence	3
Legislation	5
Key elements of due diligence	6
Gender Responsive Due Diligence	7
Stakeholder consultation	8
Role of trade unions in HREDD.....	8
Step 2: Identify and Assess Adverse Impacts	11
Role of trade Unions in step 2	12
Trade union instrument: Focus Group	13
Step 3: Cease, Prevent or Mitigate	14
Role of trade unions in step 3	16
Trade union instrument: Social Dialogue	17
Step 6: Providing for or Cooperating in Remedy.....	18
Role of trade unions in step 6	20
Trade union instrument: Grievance Mechanisms	20
Step 1: Embedding in Policies and Management Systems.....	21
Role of trade unions in step 1	22
Step 4: Track.....	23
Role of trade unions in step 4	23
Trade union instrument: Fair Work Monitor.....	24
Step 5: Communication.....	25
Role of trade unions in step 5	26
Trade union instrument: Lobby & Advocacy.....	26
Closing.....	27
RESOURCE MATERIALS	27

INTRODUCTION

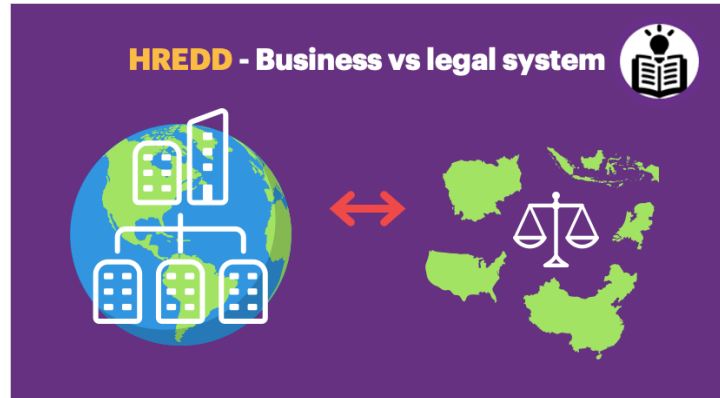
With the increasing need for companies to stop, prevent, and/ or mitigate their negative impacts on people and planet in international value chains, the role of trade unions becomes more relevant every day. Since the endorsement of the [United Nation Guiding Principles on Business and Human Rights](#) in 2011 and the incorporation of these guidelines in the [OECD Guidelines for Multinational Enterprises](#) (updated in 2023), companies worldwide are expected to do due diligence, showing their accountability in regard to human rights, including labour rights, throughout their entire value chain. Currently, more and more governments are introducing legislation that incorporates these guidelines, compelling companies to do Human Rights and Environmental Due Diligence (HREDD).

This offers trade unions, especially those in production countries, a unique opportunity to claim their role as a key stakeholder in HREDD processes. But trade unions can only fulfill this role, if they have a profound knowledge of the due diligence process. This training was developed for trade unions to build their understanding of HREDD, but also of the role they can play in each step of due diligence. This manual is meant both as a reference guide and as a notebook for the duration of the training. At the end of the manual, we have listed additional resources for more in-depth learning.

THE HREDD TRAINING

General Introduction

The phone you use, the pen you write with, the clothes you wear, even the soup you eat: it is very likely that ingredients or maybe even the whole product come from abroad. Business operates more and more internationally. There is hardly any value chain without an international actor. On the other hand, judicial systems are still mainly organized nationally (or sometimes partly regionally like in the European Union). This leads to a governance gap: businesses can be held accountable for negative impacts on human rights caused by their activities in their home country but not when they decide to shift some of their business activities to other countries with maybe less well functioning judicial systems.



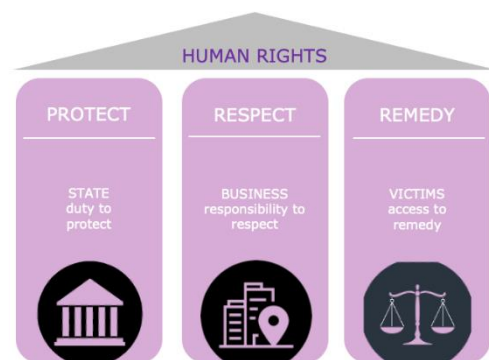
NOTES

Due Diligence

The United Nations Guiding Principles for Business and Human Rights (UNGPs) and the concept of Human Rights and Environmental Due Diligence, were developed under the leadership and guidance of prof. John Ruggie (then a professor at Harvard University in the US). In 2005, he was appointed Special Representative of the Secretary-General on Business and Human Rights by Kofi Annan. He organized more than 50 consultations worldwide with all stakeholders: local business, multi nationals, local governments, NGOs, trade unions, local community leaders, etc. These consultations resulted in a new standard for business and human rights in 2011: the United Nations Guiding Principles for Business and Human Rights (UNGPs). These principles were adopted by the UN Human Rights Council on June 16, 2011.

The UNGPs are based on a framework that consists of three pillars: protect, respect and remedy. The state has the duty to *protect* human rights. All states in all countries worldwide have an obligation to protect human rights abuse through for example policies, legislation and regulations. Companies need to *respect* human rights, address negative human rights impacts in which they are involved with and comply with all applicable laws. And victims of negative human rights impacts are entitled to effective *remedy*, which is a joint responsibility of states and companies.

UN Framework on Business and Human Rights



The UNGPs were well received. Companies, governments, NGOs, trade unions all embraced the guidelines and stressed its importance. Immediately the OECD Guidelines for Multinational Enterprises were revised to include the UNGPs, and especially the concept of human rights due diligence, which was now expanded to also include environment. The UNGPs and the OECD Guidelines are the current international normative standard for responsible business conduct

International norms and legislative framework

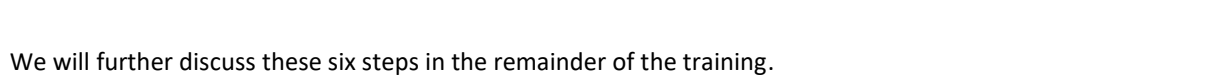


The Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Covenant on Civil and Political Right (together also the International Bill of Human Rights) and the ILO (International Labor Organization) Core Conventions are the basis for UNGPs, which were further developed in the OECD guidelines. Specific guides were then written for specific sectors by the OECD, such as the guides for the garment, financial and agricultural sectors.

The diagram illustrates a circular process for ESG risk management, centered around the core principle of embedding responsible business conduct into policies and management systems. The process follows six steps:

- 1. EMBED RESPONSIBLE BUSINESS CONDUCT INTO POLICIES & MANAGEMENT SYSTEMS** (Central core)
- 2. IDENTIFY & ASSESS ADVERSE IMPACTS** IN OPERATIONS, SUPPLY CHAINS & BUSINESS RELATIONSHIPS
- 3. CEASE, PREVENT OR MITIGATE ADVERSE IMPACTS**
- 4. TRACK IMPLEMENTATION AND RESULTS**
- 5. COMMUNICATE** HOW IMPACTS ARE ADDRESSED
- 6. PROVIDE FOR OR COOPERATE** IN REMEDIATION WHEN APPROPRIATE

Arrows indicate a clockwise flow from step 1 through to step 6, with step 6 leading back to step 1. A vertical ellipsis and a downward arrow between steps 2 and 6 suggest a continuation of the process.

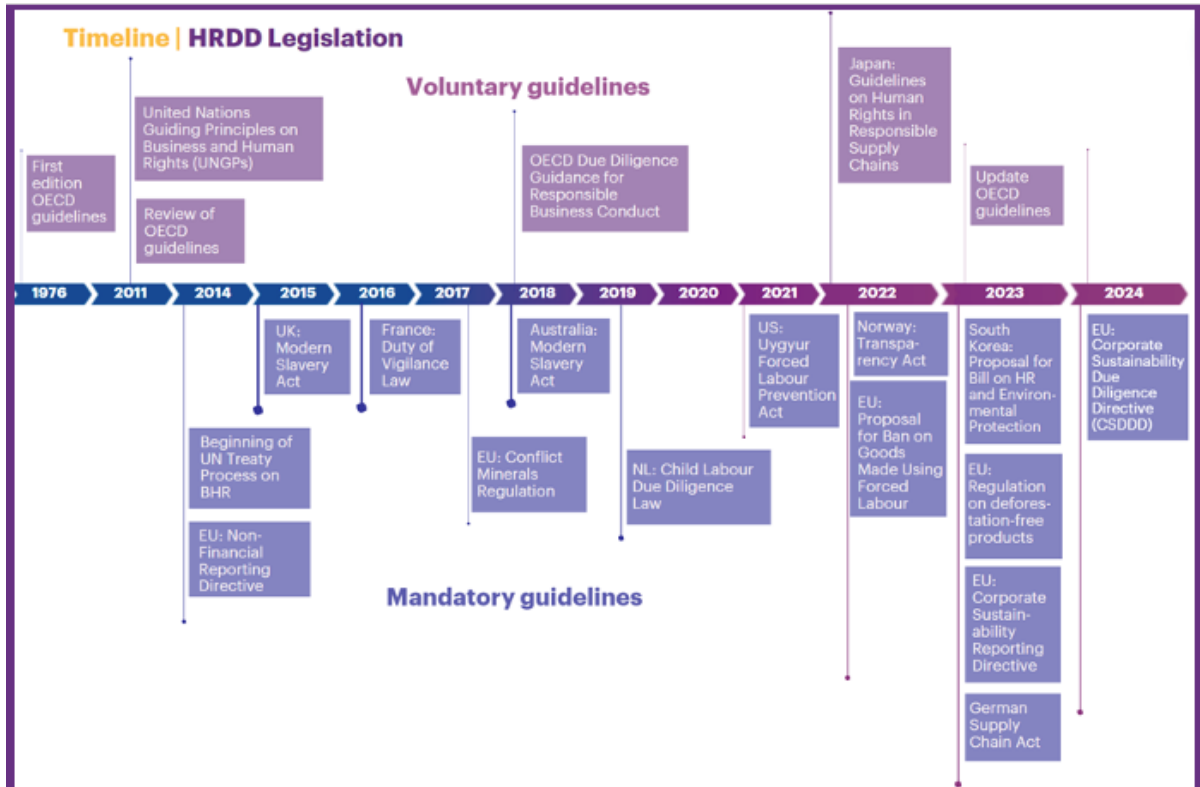


- **Ongoing** management process
- consisting of **six steps** which
- companies with **international value chains** need to implement
- to ensure **they respect human rights, the environment and climate**
- in their **entire value chain**.

- NOTES**

Legislation

Although companies are supposed to be doing due diligence for human rights and the environment since 2011, many are not implementing it sufficiently yet. So, there is an increasing call for legislation, to make due diligence for human rights a legal obligation for companies. In France the first broad due diligence law was adopted in 2016; in 2017, Norway and Germany followed suit. All of these laws are based on the OECD Guidelines and the UNGPs.



After several European countries set out to develop legislation, the European Union (EU) decided it would be better to have broad due diligence legislation on a European level. So, the European Commission developed a legislative proposal, based on the OECD Guidelines. This proposal is called the Corporate Sustainability Due Diligence Directive (CSDDD), and was adopted in 2023. But before this, the EU already developed legislation which requires companies to report on sustainability and their due diligence efforts called the Corporate Sustainability Reporting Directive (CSRD). Next to that, the EU developed legislation on deforestation: when importing certain products like soy, palm oil or cocoa, companies need to prove with GPS location coordinates that these products were not grown on lands that were deforested since 2019 or 2020. And concluding, there is

European companies are now faced with numerous laws that have due diligence elements and that are all based on the OECD guidelines.

Although the legislation debate is most advanced in the EU, other parts of the world are following. In Australia the Modern Slavery Act of 2018 is being updated to include more elements of due diligence. In Japan, Guidelines for Business and Human Rights are developed, and many expect these guidelines (based on the OECD Guidelines) to be further developed into legislation. Another example is the US Tariff act, an act that has already been in place for a long time but was recently updated to exclude import from all products from Xinjiang since the assumption is all of these products are made with modern slavery. In South Korea, a legislative proposal on broad due diligence was tabled in 2023. The expectation is that with the EU developing legislation based on the international norms, companies worldwide that export to the EU but also to other countries will make sure they have due diligence systems in place for all their products so they comply with the EU law and can therefore export to the EU and all other countries in the world.

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper has a slight shadow on its right side, suggesting it's resting on a surface.

To sum up, key elements of due diligence are:

HREDD - Legislation

EU HREDD Law applies to:

- Big companies selling products in EU
- But covers their entire supply chain
- So if an adverse impacts happens in their supply chain in Cambodia and they did not respond in line with their due diligence obligation, they can be held accountable in Europe
- This does not mean they can be held accountable for all negative impacts!



- HREDD is based on internationally recognized RBC standards, recognized not only by the OECD but also by the UN, and therefore this is a universal concept, applicable to all companies with international value chains, thus also for companies in production countries.
- Main goal of HREDD is preventing negative impacts. Of course, remediation of negative impacts is an important element, but first and foremost it is about prevention.
- HREDD is a dynamic, ongoing, reactive and flexible process: adaptable to the context in which the company operates.
- HREDD is about risks: not about risks for the company, but about risks for the surroundings of the companies and for others outside of the company.
- When doing HREDD, there should be extra attention for gender and vulnerable groups. Women and girls are often impacted more by human rights violations and are often more difficult to reach. Children or people with a disability are extra vulnerable.
- HREDD is proportional in itself, meaning that what a company is supposed to do depends amongst others on the size of the company, where it is located in the value chain and the degree/extent of the negative impact (the more impactful the negative impact, the greater the responsibility).
- Stakeholder involvement is key in every step of HREDD.
- And lastly: HREDD is really about *shared responsibility*: companies are responsible for their value chain, together with all value chain partners. Partners in the value chain should support each other in respecting human rights, climate and environment.

Gender Responsive Due Diligence

Gender Responsive Due Diligence (GRDD) means integrating a gender perspective in every step of due diligence to prevent adverse impacts on women and to promote gender equality. GRDD is applying a gender lens, not adding gender as a separate theme. It means recognizing the specific needs of the different genders and the existing gender inequality. When women suffer violence and harassment at the workplace, this results in lower productivity levels and retention rates due to women not feeling safe or respected at work. When women face barriers to professional advancement, companies limit opportunities for product and process innovation. When women do not have access to family planning, lack adequate pre- and postnatal care (as well as general healthcare), or suffer from domestic or workplace violence, it is not surprising that some degree of productivity is lost and that high rates of absenteeism or turnover are observed. Both women themselves and business suffer from these impacts.

Risks to women are not routinely highlighted in HREDD, due to existing gender inequity. Therefore, companies should make extra efforts to find out these risks. For example, by cooperating with local women's rights organizations. In assessments or research, men are typically used as the default which means that the consequences for women are overlooked. E.g., that there is always a line in front of the women's restroom because the fact that women go to the restroom longer/more often is not taken into account. Or the fact that it was only recently learned that the symptoms for a heart attack in women are different from men. This is why it is very important to include female stakeholders or stakeholders from vulnerable groups explicitly when doing due diligence.

GRDD - Addressing Root Causes



A company found a certain team manager behaving indecently towards women employees (sexual harassment). Actions the company takes, **not applying a gender lens**:

- Investigation to confirm the findings
- Dismissal of the manager

The company then focusses on other risks that were found

(Building bridges/ Women Win)

GRDD - Addressing Root Causes



A company found a certain team manager behaves indecently towards women employees (sexual harassment). Actions the company takes, **while applying a gender lens**:

- Investigation to confirm the findings
- Dismissal of the manager
- Investigation on why these cases were not brought up through grievance mechanism
- External investigation on company culture and manager's knowledge and attitude towards sexual harassment
- Widespread internal campaign on sexual harassment and training on gender-based violence for all managers
- Improve the grievance mechanism

(Building bridges/ Women Win)

NOTES

Stakeholder consultation

Due diligence is all about adverse impacts on others, outside of the company, on the environment, on local communities, on workers etc. Therefore, stakeholder consultation is a central element of due diligence in all of the six steps of due diligence. Involving the right stakeholders at every stage of due diligence is a prerequisite for achieving a process that has a positive impact in producing countries and thus also adds value for companies. Stakeholders, according to the OECD guidelines, are people or groups of people with interests that can be harmed by the company's activities. This is a very diverse group that includes, for example, farmers, workers, trade unions, local communities, civil society organizations, investors and industry associations.

A special group are stakeholders whose human or collective rights are or may be violated, for example factory and plantation workers. They are called rightsholders. They are often difficult for international companies to reach, especially if they are located more upstream in the value chain. These workers, however, should be consulted in every step of due diligence. Trade unions that represent these workers are organised at various levels, from local (e.g. plantation, factory, and mine) to national. Companies can communicate more easily with trade unions than with individual workers. This means trade unions play a key role in advocating for workers' best interests, throughout the entire HREDD process.

NOTES

Role of trade unions in HREDD

HREDD offers trade unions the **opportunity** to intensify their work in securing workers' rights. International buyers have very clear responsibilities. They need to examine their own purchasing practices. They have a shared responsibility to solve possible and actual negative impacts on labour rights in every part of their chains. They must not pass the responsibility on to another actor in the value chain. Nor should they just extricate themselves and start sourcing elsewhere. It is precisely this concept of **shared responsibility** that offers trade unions a real opportunity to secure safe, fair employment for their members and ensure that all companies in the entire value chain respect workers' rights.

An often-overlooked fact is that companies (in this case, suppliers to international buyers) can also benefit from HREDD legislation, especially when it comes to recognising the roles of unions. Involving trade unions in their HREDD process offers companies the opportunity to enhance the quality of their HREDD policies, making sure it is impactful. This can lead to the company becoming a preferred supplier for international buyers. Everyone profits in such relationships, so it is important for trade unions to be able to explain this win-win aspect to the company management they work with.

HREDD offers trade unions the opportunity to intensify their work in securing workers' rights, although this might require some changes in mindset and activities.

1. Trade unions should cooperate more with other stakeholders, like civil society organisations or local communities.
2. They need to strengthen their national and international connections in order to work effectively with different actors in the value chains. Trade unions at the factory level, for example, could intervene with factory management, while the national (con)federation might start interacting with the trader, and their international allies with international buyers. Trade unions in production countries and trade unions in the countries where the product is consumed play different, but very complementary roles. If they worked together, they would have more impact in securing labour rights.
3. At the same time, the core work of the trade unions should remain the same, as social dialogue always remains the key instrument for trade unions.

As trade unions you are a special stakeholder in the HREDD process. In each of the 6 steps there is a specific role for the trade unions/workers/ worker representatives. There is a push to engage more stakeholders in the HREDD process and it is important to be prepared for this role.

Companies are not only required to engage stakeholders, and thus trade unions, in every step of due diligence, but they should do so in a meaningful way. "Meaningful" in this context means that companies do not wait to reach out to trade unions when their constituencies are affected by business activities. Companies should provide them with transparent and accessible information, and parties should exhibit a genuine desire to understand each other (i.e., there is open, two-way communication). Meaningful engagement starts with trust, which may take time to build. Trade unions are well-positioned to develop such trustworthy relationships as they have done so with various actors throughout international supply chains. Further, unions are organized at each level, from local to international, and are experienced in engaging with management, for example, through social dialogue.

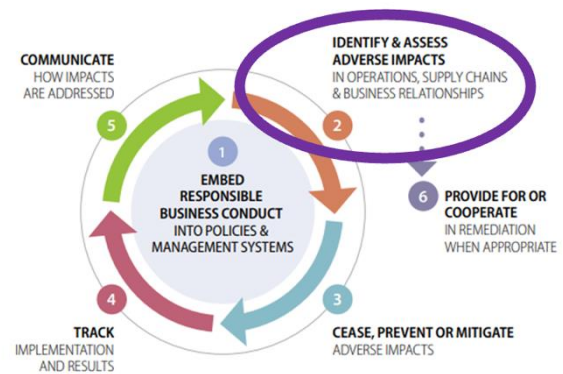
As the process is continuous, the companies should have regular meetings. Having a bi- or tripartite Collective Bargaining Agreement (CBA) is an indicator dialogue took place. The revision of a CBA is an indicator of monitoring the process.

CNV Internationaal believes that systemic change can only be reached when we work together upstream and downstream in the value chain. This means the work of trade unions at the production sides should be in line with the advocacy done towards European companies more downstream. At the same time there is political lobby needed in EU/US and production countries. Only in this way we can reach a holistic change.

Some examples of the international trade union work:

- Member of the Social Economic Council (SEC): In the Netherlands, CNV is a member of the Social Economic Council. Here we have a continuous dialogue on Responsible Business Conduct with employers' organizations, trade unions and experts. Main goal is to give advice to the government on several subjects related to RBC.

We start with step 2 in this training. In general, companies do not start with step 1 (development of a policy). They are usually first confronted with a risk found in their value chain before developing policies and procedures. Therefore, we start with step 2 as well. In step 2 companies need to identify and assess adverse impacts in their entire value chain, so in their own operations, in the supply chain and with their business relationships.



Companies need to map the entire value chain for their products, including the source of the raw

materials, and even the input needed to produce these raw materials. Then they need to identify all (potential)



adverse impacts on workers, communities, suppliers, environment & climate for each of their products. They probably need to do some research to obtain this information: they can discuss internally with buyers or the sourcing department for example where ingredients or components are sourced. Other possible sources are audits, complaints, media and stakeholders like trade unions and suppliers.

NOTES of the group work

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper has a slight shadow on its right side, suggesting it's resting on a surface.

Prioritize adverse impacts

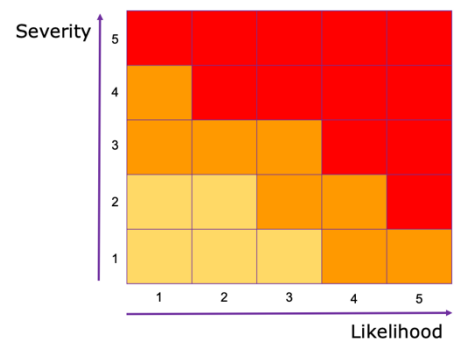
When looking at all the group work, you can see that only this one product or one ingredient of a product already has many potential adverse impacts. This makes it challenging to think of, where do you start as a company, which risks should you tackle first? Within the OECD Guidelines, companies are allowed to prioritize. This does not mean they can ignore adverse impacts, but that they can decide to prevent, stop or mitigate a particular impact first, before moving on to the next. In the end, a company needs to deal with all of its negative impacts. To decide which impacts a company should focus on, they need to look at the severity of the impact and at the likelihood. Severity of the impact means severity of the impact for people, environment

and/or climate. **Not** severity of the impact for the company. Severity has a greater weighting than likelihood so that companies should prioritize first those impacts that are most severe.

Severity is defined by three elements:

1. Scale: how grave or serious the impact would be. For example: a 11-year-old working with a machete on a plantation or a 14-year-old working on a family farm after school.
2. Scope: how widespread the impact would be, how many people would be affected or how big the area is that would be affected. For example: a factory where one or two people are not paid for overtime, or a whole factory with hundreds of workers.
3. Remediality: whether the situation can be restored to the situation before the negative impact occurred. For example: the death of a worker is irremediable, so this should always be a severe risk with the highest priority. On the other hand, women that are sexually harassed, suffer from lifelong consequences, but they can be supported mentally and physically, the perpetrators can be fired or jailed, etc.

After looking at the severity of an impact, companies should also assess the likelihood. Factors that are important in determining the likelihood are for example, is there a well-functioning legal system or labor inspection in a country, is the supplier regularly subjected to independent third-party audits, were the risks already discussed with the supplier concerned before and was an action plan developed to deal with these impacts.



When prioritizing adverse impacts, companies often use a tool called a heatmap. On this heatmap they plot the adverse risks found according to severity and likelihood. The red areas are the most severe risks that should be prioritized. Of course, such a heatmap is dynamic and can change over time for example when new information is found (f.e. via newspaper articles or complaints filed against the company).

NOTES of the group work

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper has a slight shadow on its right side, suggesting it's resting on a surface.

Role of trade unions in step 2

To be able to map their entire value chain and all possible negative impacts on human rights, companies need a lot of information. Even though all companies worldwide should already map their entire supply chain under

the UNGPs, due to the upcoming legislation, foreign buyers will more frequently request local companies to cooperate and share their input. Trade unions are valuable sources of information in this process due to your connections to those on the work floor and your position in the value chain. In particular, as a trade union you can:

- Support the mapping of the value chain. At this moment, trade unions in sourcing countries are already involved in initial generalised scoping exercises of value chains. Trade unions in producing countries can play an important role in adding more detailed information to these scoping exercises the moment international buyers proceed beyond the first general scoping exercise. In their handling of raw materials and inputs, local trade union members often know the origin of these upstream products. You can also identify buyers through labels and packaging, or by proactively researching this yourselves using online tools such as the [Open Supply Hub](#). Trade unions in sourcing countries and in producing countries should play complementary roles, working together to identify the different value chain actors.
- Identify risks in the value chain. Your members have the best knowledge regarding what negatively impacts workers in factories and on plantations and they can use social dialogue to address these impacts. Around the world, companies often fail to identify freedom of association and collective bargaining as fundamental and enabling human rights. You can play an important role in raising awareness around the importance of realising these trade union rights.
- Participate in the prioritisation process. Companies cannot address all the possible negative impacts at the same time. They will need to decide in which order they will address the negative impacts. This is a very precarious exercise, where the severity and likelihood of negative impacts needs to be carefully assessed. This assessment cannot be done without the input of those who are most affected. Trade unions should therefore be involved. Because of your daily communication with workers, you know best which issues should be prioritised and where to begin. If companies neglect to invite trade unions to a prioritisation dialogue, you should use your union role to proactively share the identified issues with the public. This can be done in various ways, for example, through letters, campaigns, social media, and shareholder meetings.

Trade union instrument: Focus Group

To collect information, trade unions can organize focus groups:

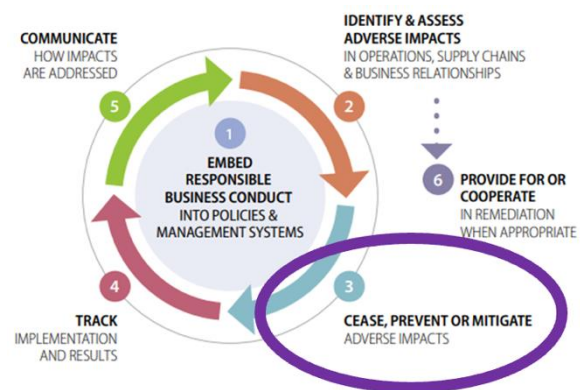
- These are group interviews with small groups of workers
- In a relaxed and open setting
- With a skilled moderator (also in understanding verbal and non-verbal feedback)
- And a clear purpose of meeting and agenda
- While managing expectations
- And with open-ended questions

NOTES

Step 3: Cease, Prevent or Mitigate

After companies map their value chain and identify possible adverse impacts, companies should actually cease, prevent or mitigate these adverse impacts found. This is step 3 of due diligence.

To be able to prevent, cease and/or mitigate the adverse impacts found, a company should draw up an action plan. This action plan should be SMART (Specific, Measurable, Actionable/ Achievable, Realistic and Timebound) and the action plan should include who is responsible within the company for which actions and what budget is assigned to the action. The actions plan can be drawn up in any format that the company already uses for other action plans in other areas.



To understand the obligation a company has with regard to preventing or ceasing an adverse impact, it is necessary for it to determine the relationship it has with the adverse impact. This relationship can be defined in three different ways. A company can:

- Cause an adverse impact. A company causes an adverse impact if it happens in its own factory or on its own plantation. For example, if an enterprise discriminates against women or racial minorities in its own hiring practices or if an enterprise pays a bribe itself to a foreign public official.
- Contribute to an adverse impact. A company contributes to an adverse impact if “its activities, in combination with the activities of other entities cause the impact, or if the activities of the enterprise cause, facilitate or incentivize another entity to cause an adverse impact. The mere existence of a business relationship or activities which create the general conditions in which it is possible for adverse impacts to occur does not necessarily represent a relationship of contribution. The activity in question should substantially increase the risk of adverse impact.” For example: a brand changes its order at the very last minute without extending the deadline or paying a higher price, forcing the supplier to demand overtime without pay from its workers in the factory, or a brand paying such a low price, that paying a living wage by the supplier is not possible.
- Be directly linked to an adverse impact. Directly linked means that the adverse impacts happen somewhere in the value chain through another entity without own activities that contribute to the impact. For example: if a company sources shirts from a factory in Cambodia, it pays a decent price, the delivery times are sufficient, but still child labor is found in this specific factory.

The graph below shows the actions a company is required to take, when causing, contributing to or when it is linked to an adverse impact:

- If a company causes the adverse impact, it should cease or prevent the impact immediately. It should stop its own activities causing this impact. For example, if children work at a factory, these children should be taken out of the factory immediately (the company should also remediate: bring the children back to school etc., but we will discuss that in step 6).
- If a company contributes, they should do two things: they should cease or prevent their own contribution. For example, they should stop changing orders at the last moment, and they should use their leverage and influence to make sure the factory owner does not continue with excessive overtime demands of workers. A company can increase leverage for example by working together with other brands/ EU companies that source from the same factory.
- If a company is directly linked to the adverse impact, it should use its leverage to influence the entity causing the adverse impact to prevent or mitigate the adverse impact. So, at the very least, an EU company should discuss the adverse impacts found with its supplier. Again, the company is expected to increase its leverage if necessary for example by asking other buyers to join in the conversations.

Role of trade unions in step 3

When companies encounter possible or actual adverse impacts, they should take immediate steps to cease, prevent, or mitigate them. Moreover, they should consult with trade unions to determine what course(s) of action to take. As a trade union you can:

- Act as a formal representative of the workforce. When trying to solve labor rights issues, like low salaries or unsafe working conditions, trade unions can negotiate on behalf of their members. These negotiations ideally lead to Collective Bargaining Agreements (CBAs). CBAs are useful, not only because they ensure and safeguard workers' rights, but a CBA also shows (international) buyers that a potential supplier takes its duty to uphold labour rights seriously. CBAs indicate that factory management and workers engage in social dialogue, a venue where workers' rights are discussed and risks of infringing these rights are mitigated. Not having a CBA is a red flag for (international) buyers, since this could mean workers' rights are not protected.
- Act as an informal representative of the workforce. You as unions also represent workers (your members) regarding issues/situations other than CBAs. You represent the people who know the inside workings of the companies, the realities of the work environment. Therefore, you can provide valuable assistance and information. For instance, when searching for solutions on how to prevent or mitigate negative impacts on the work floor, the workers you represent can provide some of the best solutions since they know exactly how their company operates. You also have access to consult with your members regarding employer concerns or major company changes, like large scale redundancies.
- Train workers. As trade unions, you are trusted by your members, and are therefore in an excellent position to support changes in the company by educating and training staff where necessary. For example, you can train workers on how to use protective equipment to prevent unsafe or unhealthy working conditions or on how to engage in dialogue with employers.
- Train local unions. You can provide consultations, guidance, and training for company level trade unions (including wage negotiations).
- Co-develop projects, programmes, and initiatives with employers to promote creativity, innovation, and technical improvements at the workplace. These programmes would improve employees' skills, thus leading to fewer workplace accidents or other infringements of workers' rights, which in turn, would increase job satisfaction

As a trade union, you are not only well-connected with the work floor, but also with your confederation, branches, and communities. Therefore, you can:

- Connect companies to other affected stakeholders represented, for example, by civil society organisations, to ensure that all stakeholders are included in the development of action plans.
- Link companies to other buyers in the same sector or area, so they can create more joint leverage. This is often necessary in order to cease, mitigate, or prevent negative impacts on human rights. This can best be done in conjunction with trade unions from the foreign buyer's country of origin, so they can use their network and presence in arenas like multi-stakeholder forums (e.g. covenants).
- Work with policy makers, like governments and employers, to advocate and lobby for social values and norms related to working conditions. Governmental cooperations are especially important as they are able to create prerequisites for inclusive social dialogue and ensure ratification, implementation, and compliance with ILO conventions.

When developing your own action plan as a trade union, you can use the following format:

Goal: (stop/ mitigate/ prevent risk identified)

Intermediate goal 1:					
Activity	Why	Who	Responsible	When	Monitor/Eval.

Intermediate goal 2:					
Activity	Why	Who	Responsible	When	Monitor/Eval.

NOTES of the group work

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper has a slight shadow on its right side, suggesting it's resting on a surface.

Trade union instrument: Social Dialogue

Consultation between trade unions, employers, and governments on socio-economic issues is called social dialogue. Social dialogue includes all forms of negotiation (such as collective bargaining). But consultations and the exchange of information on socio-economic topics are also forms of social dialogue. Social dialogue is a sustainable instrument to improve the quality of work, working conditions, and income through collective agreements at national, sector, and company levels. It allows for joint outcomes between workers and employers in a peaceful and sustainable way. This requires strong partners from the side of both the employer and the employees. Dialogue based on respect prevents labor unrest, which in turn promotes a climate of investment and sustainable economic and social development. This instrument is useful throughout the six steps of HREDD. For example, it can be used in making agreements on how to cease, prevent, or mitigate adverse impacts. However, it can also be used in other ways, like discussing how to remedy workers most effectively.

[illegible]

COMMUNICATE
HOW IMPACTS
ARE ADDRESSED

1
**EMBED
RESPONSIBLE
BUSINESS CONDUCT
INTO POLICIES &
MANAGEMENT SYSTEMS**

2
**IDENTIFY & ASSESS
ADVERSE IMPACTS**
IN OPERATIONS, SUPPLY CHAINS
& BUSINESS RELATIONSHIPS

3
**CEASE, PREVENT OR MITIGATE
ADVERSE IMPACTS**

4
**TRACK
IMPLEMENTATION
AND RESULTS**

6
**PROVIDE FOR OR
COOPERATE
IN REMEDIATION
WHEN APPROPRIATE**

1. Officially remedy means to restore to the situation they would have been in had the impact not occurred. This of course is nearly impossible, but it is key to strive to restore as much as possible to the situation they would have been in.
2. Therefore, a company should try to make amends for the harm caused.
3. They can use various measures. Remedy is not about money per se. It can include apologies, restitution, rehabilitation, financial or non-financial compensation, and punitive sanctions (whether criminal or administrative, such as fines), as well the prevention of harm through, for example, injunctions or guarantees of non-repetition.

It is important that the grievance mechanism is legitimate and trusted, otherwise victims will not file a complaint. The grievance mechanism should be equitable as well, meaning all parties have access to information, advice and expertise needed; accessible, meaning victims should be able to find the grievance mechanism and that assistance is provided for those that need it to file a complaint; transparent, meaning that all parties need to be kept informed of the progress of the complaint and the workings of the complaint

When providing for remedy, the relationship between the company and the adverse impact is key. It defines the obligation companies have towards providing remedy.

-
- ```

graph TD
 A[ADVERSE IMPACT] --> B[CAUSED by the enterprise]
 A --> C[CONTRIBUTED TO by the enterprise]
 A --> D[DIRECTLY LINKED to enterprise's operations, products, or services by a business relationship]
 B --> E[CEASE OR PREVENT impact]
 E --> F[REMEDY the impact]
 C --> G[CEASE OR PREVENT contribution]
 G --> H[CONTRIBUTE to remedy]
 C --> I[USE LEVERAGE to mitigate any remaining impacts]
 I --> J[USE LEVERAGE to encourage remedy of any remaining impacts]
 D --> K[USE LEVERAGE to influence entity causing the impact to prevent or mitigate the impact]
 K --> L[USE LEVERAGE to influence the entity that caused the adverse impact to remedy it]

```
- The flowchart classifies adverse impacts into three categories based on their relationship to the enterprise:
- CAUSED by the enterprise:** This category leads to the action of **CEASE OR PREVENT impact**, which then leads to **REMEDY the impact**.
  - CONTRIBUTED TO by the enterprise:** This category branches into two paths:
    - CEASE OR PREVENT contribution:** This path leads to **CONTRIBUTE to remedy**.
    - USE LEVERAGE to mitigate any remaining impacts:** This path leads to **USE LEVERAGE to encourage remedy of any remaining impacts**.
  - DIRECTLY LINKED to enterprise's operations, products, or services by a business relationship:** This category leads to **USE LEVERAGE to influence entity causing the impact to prevent or mitigate the impact**, which then leads to **USE LEVERAGE to influence the entity that caused the adverse impact to remedy it**.

[illegible]

### Role of trade unions in step 6

When negative impacts are identified, companies need to provide or cooperate in establishing remedial measures (if applicable). If workers are harmed by the activities of a business, their employers should contact them and the trade unions that represent them, to discuss what measures can be taken. Therefore, as a trade union you can:

- Support the company in setting up the obligatory grievance mechanisms. You can do this by providing information on how companies can make sure workers trust the mechanism, make sure the procedures are fair and understood by the workers, and that the workers know where they can file grievances. You can also assist members in filing complaints and monitoring the follow-up of the complaint.
- When there are individual grievances, talk with employers to find feasible solutions and provide legal assistance and advice to individual members.
- Hold companies accountable for negative impacts on workers. This can be accomplished by publishing research, filing complaints on behalf of workers, or as a last resort, by taking companies to court.

#### Suggested evidence in filling grievances for:

##### Severance cases

- How many workers are organized? (a list of workers is a part of the case)
- Who precisely is the claim for severance being made on behalf of? Is it a group of workers, all organized workers, all workers in the workplace?
- As much as possible: details about the amount of severance (and other benefits) owed, the names of workers, for what period OR details for a smaller group of workers for which the wider claim can be made.

##### FoA cases

- List of workers with violated rights, their position in the trade union, and if relevant number of men/ women
- Registration of trade union, if any
- Details of other trade unions in the workplace
- Evidence of the violation: e.g. worker testimonies, black lists, chronology
- Pictures of meetings, demonstrations etc.
- Communication with f.e. labor departments, employers
- Minutes of meetings

##### Dismissal cases

- List of workers dismissed and when
- Job contract letter, employment card, any kind of evidence to prove the worker was employed by the factory
- Charge sheet, if given by employer.
- Reply to charge sheet, if replied by worker
- Which local law is violated?

**Clean  
Clothes  
Campaign**

### Trade union instrument: Grievance Mechanisms

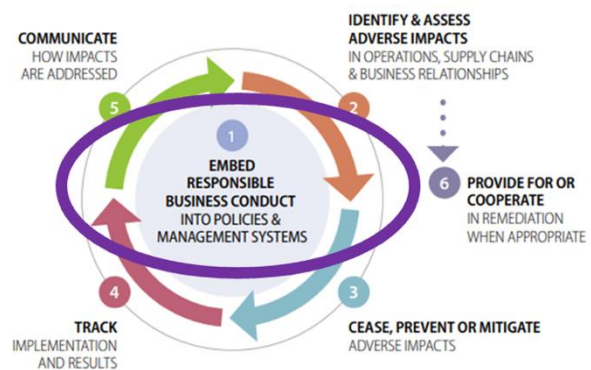
Filing a complaint is known to most of the trade unions: at the company level, at government level or even directed to an international company. CNV Internationaal did an analysis in the apparel sector and have some recommendations on how to make this process agile instead of the often not transparent, long and costly process. These are as follows:

- Focus on strengthening local mechanisms as they are fast, close by, often used and easy to monitor by local stakeholders.
- Track complaints submitted by unions in production countries: these complaints can give companies a good idea what needs to be improved from both the company and the union perspective. It gives guidance to what has to be discussed and improved. If possible, use a database.
- Demand and help create fast routes to early remedy. Costs for both parties are higher when it takes more time. A fast route can help to make remedy feasible and useful for the complainant. Long time will complicate the process and the complainant can already be moved, work somewhere else or even worse.
- Promote alternative ways of structuring complaints mechanisms. There are many initiatives and pilots on new forms of complaint mechanisms. Be aware as a trade union what are the mechanisms proposed by the international company and which other routes are possible.
- Take the issue of retaliation into account.

## NOTES

### Step 1: Embedding in Policies and Management Systems

As part of step 1, companies are required to embed responsible business conduct (RBC) in their policies and management systems. Companies need to do this since due diligence is an ongoing, continuous process. With each decision that is taken within the company, intrinsically the potential human rights or environmental impacts on others outside of the company should be taken into consideration. For this to work, management systems, such as work instructions, procedures, formats etc., should all be adjusted to embed RBC.



When drafting a policy, the policy should be approved by senior management, contain concrete and measurable goals (interpretation of responsibilities and policy processes) and a description of external systems (e.g. certifications) and roles they play in the due diligence process. The policy should be written in consultation with (external) experts and made public/shared with employees/suppliers and external parties. The policy should be evaluated periodically. To make sure the policy is not just a piece of paper that disappears into a drawer after it is written, it should be integrated into management systems. This is really a key step. RBC should become an intrinsic part of the daily operation of a business.

For RBC to be integrated in the entire company, all departments need to be involved. Each department has its own specific role: the sourcing department (the buyers) are well connected to the suppliers, know the supply chain and can engage with suppliers on sustainability issues. Purchasing practices should be assessed and adjusted to make sure price is no longer the key leading factor, but sustainability issues are also considered. The finance department can free budget for sustainability measures and project. Human Resources should make sure all employees are well trained and ready to deal with sustainability issues. The board of the company should oversee RBC and propagate its importance to the entire company.

## NOTES

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

### Role of trade unions in step 1

The role of the trade unions in this step is quite small where it concerns the international company, but where it concerns local suppliers/ companies, the role of unions can be quite large. Trade unions can participate in discussions with the company on salary/ promotion/ reward of the employees, represent workers in negotiating new policies and goals (f.e. formulating the ambition of a living wage or respect for workers' rights at company level), train workers on how to engage with companies on RBC or on what brands would need from trade unions.

Companies are required by the UNGPs and the OECD Guidelines to embed respect for human rights, including workers' rights, into their policies and management systems. This applies to companies in production countries and international buyers, and requires input from workers through a constructive dialogue. Trade unions regularly interact with members, for example, in focus groups or when conducting surveys. Thus, as a trade union, you are an indispensable source of information for companies that are required to develop human rights policies and new procedures that are informed by stakeholders and experts. As you are abreast of current issues on the work floor, as a trade union you can:

- Inform foreign buyers about working conditions and provide input when they are developing policies and procedures on how to respect human rights in their supply chains.
- Participate in developing policies and procedures for companies in producing countries to ensure better protection of workers' rights on the work floor.
- Contribute to the development of internal policies, procedures, and regulations on social dialogue, collective bargaining, and freedom of association.
- Communicate new policies and procedures to employees and employers, including how they can comply and how these policies and procedures affect them.

## NOTES

---

---

---

---

---

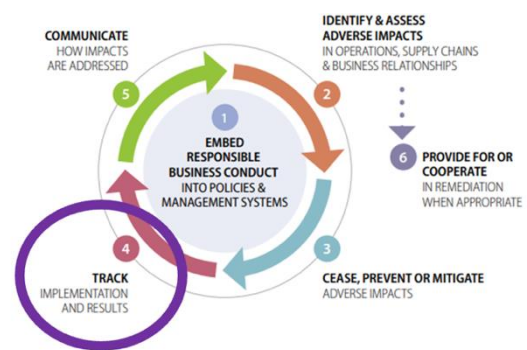
#### Step 4: Track

As part of step 4, companies are required to track their action plan and other policies based on quantitative and qualitative indicators. Based on the outcome of this monitoring, the action plan and policies should be adjusted.

The due diligence tool provides a system to monitor applications and results. Companies should monitor their own internal efforts, activities and goals through in-house or external reviews or audits by using:

- quantitative and qualitative indicators
- internal and external sources
- periodic reviews

Furthermore, business relationships should be assessed periodically, and the conclusion should be used to improve policies, processes and the action plans.



#### NOTES of group work

#### Role of trade unions in step 4

Companies need to track progress of the implementation of the action plan. Have they implemented the right measures? Should the plan be adjusted? In this process, as a trade union you can:

- Support companies in monitoring, as you are well-connected to the workforce. Informal conversations, focus groups, and surveys, can assist in gathering information about the effectiveness of the measures and whether incidents might still occur. By sharing this information with the company, you can assist in the monitoring process and also use the information for your own negotiation processes with the employer.
- Participate in audits. Audits are important instruments as they enable buyers to monitor factories and plantations regarding workers' rights. Auditors make both announced and unannounced visits to production locations, where they can see and interview the workers. You can inform your members as they should be prepared to participate in such audits.
- Become a member of a global certification system. Leading standards like RSPO and Bonsucro have various constituencies. As stakeholder engagement is vital to maintaining high-quality standards, these systems strongly welcome community and worker representatives, who then collaborate to revise and improve the principles and criteria of the standards. These cooperations ensure that labour rights are sufficiently included and upheld, and that agreed upon audits are performed.
- Share information and statistics with local authorities, like labour inspectors, regarding issues and incidents which might still occur.

### Trade union instrument: Fair Work Monitor

Accurate data is essential when it comes to gathering information about working conditions in factories or on plantations. To make sure that the collected data represents workers properly, CNV Internationaal has developed the Fair Work Monitor. The Fair Work Monitor accesses workers directly by using a digital survey that workers can anonymously and voluntarily fill in on their phone, tablet, or computer. The Monitor provides information on various topics, including wages, safety, cost of living, and overtime. These topics are important to foreign companies, as they provide them with information regarding human rights risks in supplier factories.

These surveys can be carried out each year, with the support of (local) unions, to gather accurate information, but also to help monitor progress, or the lack thereof. The data can be used to inform stakeholders about working conditions in factories and what progress is being made (or not) following the introduction of HREDD policies. Moreover, it can also be used to strengthen your union's position in social dialogue and minimum wage negotiations.

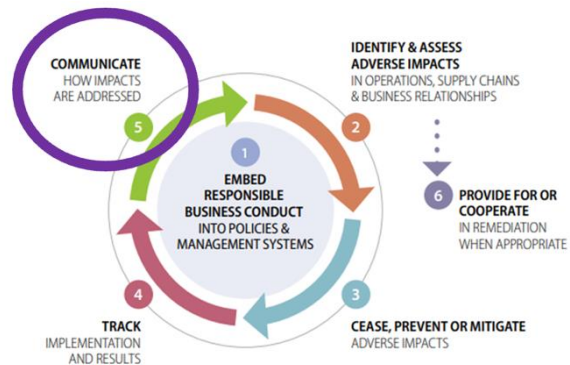
## NOTES

[illegible]



In step 5, companies need to communicate how impacts are addressed. This is the last step we will discuss during the training, but a very important step when it comes to accountability of companies on whether they conduct their business in a responsible way.

It is important to understand that communication is not the same as reporting. Companies need to report yearly on their due diligence efforts achievements, like they do each financial year. But communication in the due diligence cycle means continuously communicate with stakeholders when necessary. This communication should always be meaningful, so with an open mind, before major decisions are taken, and with the intention of sharing information back and forth between two parties.

[illegible]

- Company and CSR reports
- [Open Supply Hub](https://opensupplyhub.org/): <https://opensupplyhub.org/>
- Buyer's Supply Chain Lists
- Transparency Pledge: <https://transparencypledge.org/>
- RN/CA Numbers
  - [U.S. brands](https://rn.ftc.gov/Account/BasicSearch): <https://rn.ftc.gov/Account/BasicSearch>

- [Canada](https://www.apparesearch.com/terms/c/ca_number.html): [https://: https://www.apparesearch.com/terms/c/ca\\_number.html](https://www.apparesearch.com/terms/c/ca_number.html)

### Role of trade unions in step 5

Companies need to communicate about their due diligence process in ways that are relevant and understandable to different stakeholder groups. As a trade union you can:

- Provide valuable input for general reporting requirements of the company or good practices that local and international companies can use in their communication.
- Facilitate meetings to enable companies to communicate with their employees whenever important decisions are taken or input is needed. You can also support companies in making sure this communication is meaningful, that employees are communicated with in a language they understand, they receive necessary information, and are able to understand what is communicated to them.
- Keep members, employers, and (international) buyers informed about CBAs, internal regulations, or due diligence process results, directly via meetings or conferences, or indirectly through papers, internet, and multimedia channels.
- Coordinate the organisation of periodic conferences for employees by conducting social dialogue in accordance with legal regulations; share and summarise lessons learned.

### Trade union instrument: Lobby & Advocacy

As trade unions, you will understand the value of lobby. Work with policymakers, like governments and employers, to advocate and lobby for social values and norms related to working conditions. In the case of HREDD, lobby towards governments is especially important. All governments are required to develop an action plan for business and human rights under the UNGPs. Not many have done so. Urging your national government to start with a baseline study, and develop a National Action Plan (NAP) based on this baseline is an important first step. Besides that, governments play a key part in for example facilitating and mandating social dialogue, creating space for trade unions, ratifying ILO core conventions and international human rights treaties and enforcing compliance with policies and legislation.

In the Netherlands, CNV Internationaal has been involved in lobby and advocacy towards decision makers in the Netherlands and Europe in many different ways. For example, in the past years, CNV Internationaal has been instrumental in organizing and showing the support of consumers and companies in the Netherlands towards HREDD legislation.



### NOTES

---

---

---

---

---

---

---

---

## Closing NOTES

## RESOURCE MATERIALS

## General sources

- United Nations Guiding Principles on Business and Human Rights (2011):  
[https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinessshr\\_en.pdf](https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinessshr_en.pdf)
- OECD Guidelines for multinational enterprises (2023): <http://mneguidelines.oecd.org/MNEguidelines/>
- OECD Guidance on due diligence for responsible business conduct (2018):  
<https://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf>
- OECD Due Diligence Guidance for responsible supply chains in the garment and footwear sector (2017): <https://www.oecd.org/industry/inv/mne/responsible-supply-chains-textile-garment-sector.htm>

- Doing Business in a Responsible way (Oxfam/ Shift): <https://www.businessrespecthumanrights.org/>
- Responsible Business Hub Cambodia (GIZ/ Eurocham Cambodia 2023): <https://rbh-eurochamcambodia.com/>

#### **Sources on specific instruments**

- CNV Internationaal's resources on Social Dialogue: <https://www.cnvinternationaal.nl/en/topics/field-of-work/social-dialogue>
- How trade unions use grievance mechanisms in the garment sector (cnvinternationaal.nl): [https://www.cnvinternationaal.nl/\\_Resources/Persistent/2/8/f/b/28fb930f80c35fd3e65e2de2de9a5ba11b9124c0/2022-11-02-How-trade-unions-use-grievance-mechanisms-in-the-garment-sector.pdf](https://www.cnvinternationaal.nl/_Resources/Persistent/2/8/f/b/28fb930f80c35fd3e65e2de2de9a5ba11b9124c0/2022-11-02-How-trade-unions-use-grievance-mechanisms-in-the-garment-sector.pdf)
- How trade unions can engage in Human Rights Due Diligence to safeguard worker's rights: <https://www.cnvinternationaal.nl/en/topical/news/new-publication-about-the-rol-of-trade-unions-in-hrdd>

#### **Sources for step 5**

- Open Supply Hub: <https://opensupplyhub.org/>
- Transparency Pledge: <https://transparencypledge.org/>
- RN/CA Numbers
  - U.S. brands: <https://rn.ftc.gov/Account/BasicSearch>
  - Canada: [http://:https://www.apparesearch.com/terms/c/ca\\_number.html](http://:https://www.apparesearch.com/terms/c/ca_number.html)