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# ETI Update

Keeping members informed of our latest developments and events. To provide feedback or to make a contribution, contact Julia Hawkins: [julia@eti.org.uk](mailto:julia@eti.org.uk)



## Contents

### p2 Projects and Working Groups

- Child Labour Project
- China Project Group
- Collective Risk Assessment Project
- Homeworkers Working Group
- Smallholders Project
- Sri Lanka Garments Project
- Temporary Labour (Gangmaster) Working Group

### p4 Research

- ETI Impact Assessment

### p6 Membership support and development

- Annual Reporting Working Group
- Corporate Annual Reports 2003
- Membership Applications

### p5 ETI and beyond

- ETI and the Supplier Ethical Data Exchange (SEDEX)
- Multi-stakeholder Initiatives Project
- Presentations

### p5 Publications and events

- ETI Workbook

### p6 Secretariat news

- New baby!
- Recruitment
- Expansion of ETI offices

## Bulletin board

### Risk Assessment

#### Methodology launch 26 May

*Morning:* presentation to members at Roundtable

*Afternoon:* seminar for audit companies.

Venue and times tbc.

## Meeting dates

### Annual Reporting

#### Working Group

6 April

### Child Labour Project

*Full group:*

23 April, 1–3pm

at Sainsbury's offices

*Core committee in UK:*

6 May, All-day meeting at

ETI offices

### China Project

*Sub-group:*

1 April, time tbc at ETI offices

*Full group:*

6 April, 10.30am at ETI offices

### Homeworkers Project

19 May, 11am–2pm

venue tbc.

### Sri Lanka Garments Project

To be confirmed

### Smallholders Project

12 May, 11am–2pm

### Temporary Labour

#### Working Group

29 March, 10.30am–4pm

### Board and caucus meetings

*Board:* 13 May, 2–5pm

*Trade union caucus*

13 May, 10.30am

## Projects and Working Groups

### Child Labour Project

*Identifying and mitigating risks in the supply chain: focus on Tamil Nadu, India*

**Pressing ahead with the action plan.** The Tamil Nadu-based core committee for the project met in mid-March to discuss the development of a detailed action plan for the project, its budget and funding, and recruitment of a temporary facilitator.

#### **Tamil Nadu core committee to visit London.**

Three members of the Tamil Nadu core committee will come to the UK in May to present their proposed action plan to the full project group. On 6 May, we will hold a full day of meetings with them at the ETI offices. To prepare for the visit, the next UK meeting will be a working lunch from 1–3pm at Sainsbury's offices on 23 April.

Contact Juliet Edington: [juliet@eti.org.uk](mailto:juliet@eti.org.uk)  
Find more information on our website at: [eti.org/Z/actvts/exproj/chlab](http://eti.org/Z/actvts/exproj/chlab)

### China Project Group

*Exploring tripartite collaboration to promote change*

**Planning for the May conference.** At the China Project Group meeting on 16 March it was agreed that we will pursue working with the British Council's Guangzhou office to run the planned one-day conference on 11 May. The purpose of the conference is to introduce ETI to the suppliers of corporate members of the China Hong Kong group. Terms of reference for working with the British Council were reviewed by the China Project Sub-group on 18 March.

**Health and safety project.** The sub-Group has worked on developing the scope of the project which will begin later this year.

#### **SOAS professor to talk on the law in China.**

At our next meeting on 6 April, Professor Hugh Baker of the London School of Oriental and African Studies (SOAS) will give a talk to

members of the Group on attitudes to the law in China.

**Meeting minutes and papers.** Given the sub-Group's current large workload and Fiona Mabbott's annual leave at the end of March, papers for the next full Group meeting on 6 April will not be circulated until shortly before that date. Could Group members please allow time before the meeting to read and digest the papers.

The next full Group meeting will be on 6 April, 10.30am at the ETI offices. The next Sub-group meeting will be on 1 April, time and venue to be confirmed.

Contact Fiona Mabbott: [fiona@eti.org.uk](mailto:fiona@eti.org.uk)  
Find more information on our website at: [eti.org.uk/Z/actvts/exproj/china](http://eti.org.uk/Z/actvts/exproj/china)

### Collective Risk Assessment Project

*Developing a tool for identifying problem areas before targeting deeper inspections*

**Progress since last meeting.** Since the last project meeting at the end of January, a number of recommendations from the Group have been fed into the Annual Reporting Working Group meeting at the beginning of March. Production of the project report and methodology documentation are also underway.

#### **Launch of methodology set for 26 May.**

The Group will roll out the risk assessment methodology to members at a roundtable in the morning, followed by a public seminar for audit companies in the afternoon.

Contact Juliet Edington: [juliet@eti.org.uk](mailto:juliet@eti.org.uk)  
Find more information on our website at: [eti.org/Z/actvts/exproj/risk](http://eti.org/Z/actvts/exproj/risk)

### Homeworkers Working Group

*Applying the Base Code to an invisible workforce: the Christmas cracker industry in the UK and jewellery making in India*

**New group chair elected.** Sara Clancy of The Body Shop has been elected chair of the Group, with Sarah Noble of Next as vice-chair.

**Time and motion studies of UK cracker industry stalled.** The Group's planned work on time and motion studies and consultations with UK homeworkers has been delayed because many members' suppliers are moving their cracker production to China. Despite this, the Group will continue working with remaining homeworkers in the cracker industry and with other industries in the UK.

**Work in India gaining momentum.** Various Group members and their local staff will be holding an awareness-raising seminar with suppliers in Delhi on 5 May. During this visit a local co-ordinator will be recruited. A full delegation visit is being planned for October.

**New implementation section for guidelines.** We have now written a new implementation section into the draft guidelines. The trade union and NGO sections are in development.

**Mid-project review planned.** The Group has agreed terms of reference to monitor and evaluate its work and will be conducting a mid-project review in July.

The TUC/NGH/Oxfam campaign on UK homeworkers will now be launched on 10 May.

The next meeting will be on 19 May, 11am–2pm, venue to be confirmed.

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Find more information on our website at:  
[eti.org.uk/Z/actvts/exproj/hmwkr](http://eti.org.uk/Z/actvts/exproj/hmwkr)

### **Smallholders Project**

***Progressing the Base Code through the supply chain: developing guidelines and testing them in the Kenyan tea and fresh produce sectors***

**Engagement with other initiatives.** At its latest meeting on 25 March, it was reported that representatives from the Group have started dialogue with EUREPGAP (a European retailer-led initiative to agree common standards and procedures for the development of good agricultural practice) and Utz Kapeh (a coffee certification scheme) regarding how those certification schemes

impact smallholders, and how they relate to ETI Base Code standards. In the same meeting, the Group discussed the discrepancy between Rainforest Alliance's social standards and the ETI Base Code.

### **Developing guidelines for smallholders.**

Trade union and retailer sections of the guidelines for applying the Base Code to smallholders are now in development. Members' supply chains to be mapped. In April, we plan to send a letter and questionnaire to members' food suppliers to map the presence of smallholders in their supply chains

### **Survey of Kenyan smallholders complete.**

A total of over 500 smallholders have been surveyed. The results are now being analysed and will be fed into focus group discussions planned for April/May. A workshop will be held in Nairobi in early July to feedback results to stakeholders in Kenya and agree the testing of the draft guidelines. Some members of the UK Group will also be present.

The next meeting will be on 12 May, 11am–2pm, at the ETI offices.

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Find more information on our website at:  
[eti.org.uk/Z/actvts/exproj](http://eti.org.uk/Z/actvts/exproj)

### **Sri Lanka Garments Project**

***Testing different audit approaches in the ready-made garments industry.***

### **Plans underway for worker briefing and awareness-raising.**

The Colombo Working Group met on 18 February. It has now started to make progress on plans for the briefing and awareness raising of workers and the methodology for the multi-stakeholder audits. Discussions are underway with a variety of local organisations with a view to selecting one to carry out the worker interviews.

The Colombo Group will meet again on 17 March. The UK Group will meet again when required, based on progress from Colombo.

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## Temporary Labour (Gangmaster) Working Group

*Towards a license to operate: designing a code of practice and inspection process for providers of temporary labour in UK agriculture*

**Field trials completed.** These six field trials were designed to test an inspection process for labour providers against a code of practice. We also tested a worker education leaflet and hotline for workers to call if they need advice or wish to raise issues. The final results have been analysed and will be discussed at the next meeting.

**Working Group report complete in draft form.** A report has been drafted for discussion. Its contents include:

- good practice tools for labour providers
- the shape of the inspection system
- key results from the field trials
- the proposed architecture of a licensing and registration regime.

This report is co-ordinated by ETI but will be published in early May by the Group itself, which is much broader in membership than ETI.

**Progress made on Gangmaster Bill.** The Group is moving quickly to ensure its unique experience and recommendations inform policymakers in the fast-moving public policy debate about an effective licensing regime. The Gangmasters (Licensing) Bill has passed its second reading and is expected to enter committee stage in April. The TGWU is co-ordinating the lobby and campaign activities. Interested members should contact [pdoyle@tgwu.org.uk](mailto:pdoyle@tgwu.org.uk).

The next Group meeting is on 29 March, 10.30am–4.30pm.

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Find more information on our website at:  
[eti.org.uk/Z/actvts/exproj/ukagr](http://eti.org.uk/Z/actvts/exproj/ukagr)

## Research

### ETI Impact Assessment

*Assessing and improving the impact of corporate members' implementation of the ETI Base Code*

**Phase 1 Report complete.** The report synthesises members' perspectives on successes and challenges of implementing the Base Code. It provides an initial analysis of the scale and scope of Code implementation, and of the similarities and differences in the way that corporate members are implementing the Base Code.

The report was approved by the Steering Group on 3 February, and subsequently circulated to all members for final comment. It has generally been well received by NGO and corporate members. Trade union representatives at the ETI board meeting on 26 February expressed a number of concerns about the report and requested an extension to the deadline for comments. Finalisation and publication of the report has therefore been delayed, and is subject to addressing these concerns.

**Phase 2 underway.** This phase, due to be completed in December 2004, forms the 'meat' of the Impact Assessment and is looking in detail at the impact of Code implementation in a cross-section of supplier sites in four to five countries. Progress is as follows:

- **South Africa fruit.** This first case study is now underway, with the University of Stellenbosch as the local research partner. The team has already conducted interviews with local trade union representatives and other stakeholders, and has started interviewing exporters, producers and workers.
- **India garments.** A local research partner has now been identified, and this case study is planned to start in June/July.

**Public seminar (UK) planned.** A public seminar is planned in September to share findings from Phase 1 and the South Africa case study.

The next Steering Group meeting will take place on 31 March 2004, 11am–2pm at the Radisson Kenilworth Hotel, London. It will focus on reviewing progress in South Africa and consider any necessary amendments to the research approach for subsequent case studies.

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Find more information on our website at:  
[eti.org.uk/Z/actvts/rsproj/impact](http://eti.org.uk/Z/actvts/rsproj/impact)

## Membership support and development

### Annual Reporting Working Group *Reviewing and improving the corporate member reporting process*

Thanks to members who have provided feedback to the Group. We met on 3 March and will meet again on 6 April. The Group is aware it needs to produce more specific proposals for further consultation and will be seeking to remove unnecessary questions from the annual report as well as introducing new questions.

**Group to develop performance indicators.** One of the Group's tasks is to identify a set of indicators that will enable the measurement of corporate members' progress towards implementing the Base Code and ETI membership principles. It was agreed that this work would be outsourced and subject to a competitive tendering process. The Group approved the Terms of Reference and we are hoping to appoint a consultant in the next couple of weeks.

Contact Santiago Porto: [santiago@eti.org.uk](mailto:santiago@eti.org.uk)

### Corporate Annual Reports 2003

The Secretariat has now received all but two Annual Reports. They are currently being analysed by Income Data Services and the Secretariat. A final analysis report will be presented for approval to the ETI Board in May. Once approved, individual letters and the anonymised version of the analysis report will be sent out to all reporting companies by early June 2004.

## Membership applications

**William Lamb Footwear's** application for membership will be presented to the ETI Board in May. The company is predominantly a children's footwear supplier.

We are currently having discussions with **B&Q** and **Laura Ashley**.

Contact Santiago Porto: [santiago@eti.org.uk](mailto:santiago@eti.org.uk)

## ETI and beyond

### ETI and the Supplier Ethical Data Exchange (SEDEX)

Each membership caucus has nominated their representatives to the Advisory Board to the SEDEX initiative. The nominees are

- *Business Representative:* Michael Pennant-Jones (Premier Foods)
- *Trade Union Representatives:* Michael Short (AMICUS) Rory Murphy (UNIFI)
- *NGO Representative:* Katherine Astill (CAFOD) Maggie Burns (WWW)

SEDEX will be convening the Advisory Board for its first meeting shortly.

Contact Dan Rees: [dan@eti.org.uk](mailto:dan@eti.org.uk)

### Multi-stakeholder Initiatives Project

The Group has not met since the last *Update*. However progress has been made in the following areas:

- A new draft of the Common Code on labour standards is expected shortly.
- A final version has been produced of the project design document of the proposed collaborative project focusing on the Turkish garment industry. The design document was circulated in mid-February.
- Shortlisting is underway for the International Project Manager of the collaborative project. Interviews for the post will be held in London on 10 May.
- The funding proposal to the EU is currently being developed for submission in mid-April.

The next meeting will take place in London on Tuesday 11 May 2004, to be hosted by ETI.

## Presentations

**Retail week conference.** Santiago gave a presentation at the Retail Week Conference in London on 2 March. The theme of the session was 'Meeting the challenge of change: brand, reputation and maintaining consumer trust'.

**Talk to MBA students on ETI's work.** Together with Robert Brown from Boots, Santiago also gave a talk about ETI's work to MBA students at Nottingham University. This programme is the first specialised Corporate Social Responsibility (CSR) MBA in the UK.

## Publications and events

### ETI Workbook

In March, we carried out a 'quick and dirty' analysis of the distribution of the first public edition of the *ETI Workbook: step by step to ethical trade*. Two key findings were:

- All of the *Workbook* users we spoke to value its practical recommendations and tools. Comments included:

*"For us, it is an essential starting point. Because ETI works with such a range of organisations, it has a broad knowledge of where consensus lies in this area";*

*"We use it to make sure we're doing the right thing";*

*"The ETI Workbook is a very honest document. It makes it clear that the jury is still out on many aspects of what constitutes best practice in ethical trading, but offers helpful guidance on our current understanding of what is, at least, good practice".*

- To date, over 60 percent of those who have bought the *Workbook* are suppliers. Most of these are food companies. Hardly any non-ETI retail companies or major brands have ordered the *Workbook*. If members have

any suggestions about how we could more effectively target non-members – particularly retailers and big brands and non-food suppliers – we would be glad to hear of them.

Contact Julia Hawkins: [julia@eti.org.uk](mailto:julia@eti.org.uk)

## Secretariat news

### New baby!

Congratulations to Dan Rees, Director of ETI and Sharon McClenaghan of Christian Aid on the birth of their new son, Owen, on 2 March. The family are all doing well.

### Recruitment

ETI is recruiting a local project coordinator for the India case study of our Homeworkers Project. Please visit the website ([www.eti.org](http://www.eti.org)) or contact Pins Brown ([pins@eti.org.uk](mailto:pins@eti.org.uk)) for further details and an application form

### Expansion of ETI offices

We are happy to announce that ETI's offices have now expanded to include the first, as well as the second, floor of Cromwell House.

The first floor comprises two large meeting rooms. This means we will be able to greatly reduce the number of occasions we have to book external venues for working group and caucus meetings. In the long run, it will be much more cost-effective.

**ETI Update is published every six weeks.**  
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